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Kaiser Permanente Medical Care Program Oral History Project

Benjamin Lewis, M.D.

HISTORY OF THE KAISER PERMANENTE MEDICAL CARE PROGRAM

An Interview Conducted by
Ora Huth
1986

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Since 1954 the Regional Oral History Office has been interviewing leading participants in or well-placed witnesses to major events in the development of Northern California, the West,and the Nation. Oral history is a modern research technique involving an interviewee and an informed interviewer in spontaneous conversation. The taped record is transcribed, lightly edited for continuity and clarity, and reviewed by the interviewee. The resulting manuscript is typed in final form, indexed, bound with photographs and illustrative materials, and placed in The Bancroft Library at the University of California, Berkeley, and other research collections for scholarly use. Because it is primary material, oral history is not intended to present the final, verified, or complete narrative of events. It is a spoken account, offered by the interviewee in response to questioning, and as such it is reflective, partisan, deeply involved, and irreplaceable.

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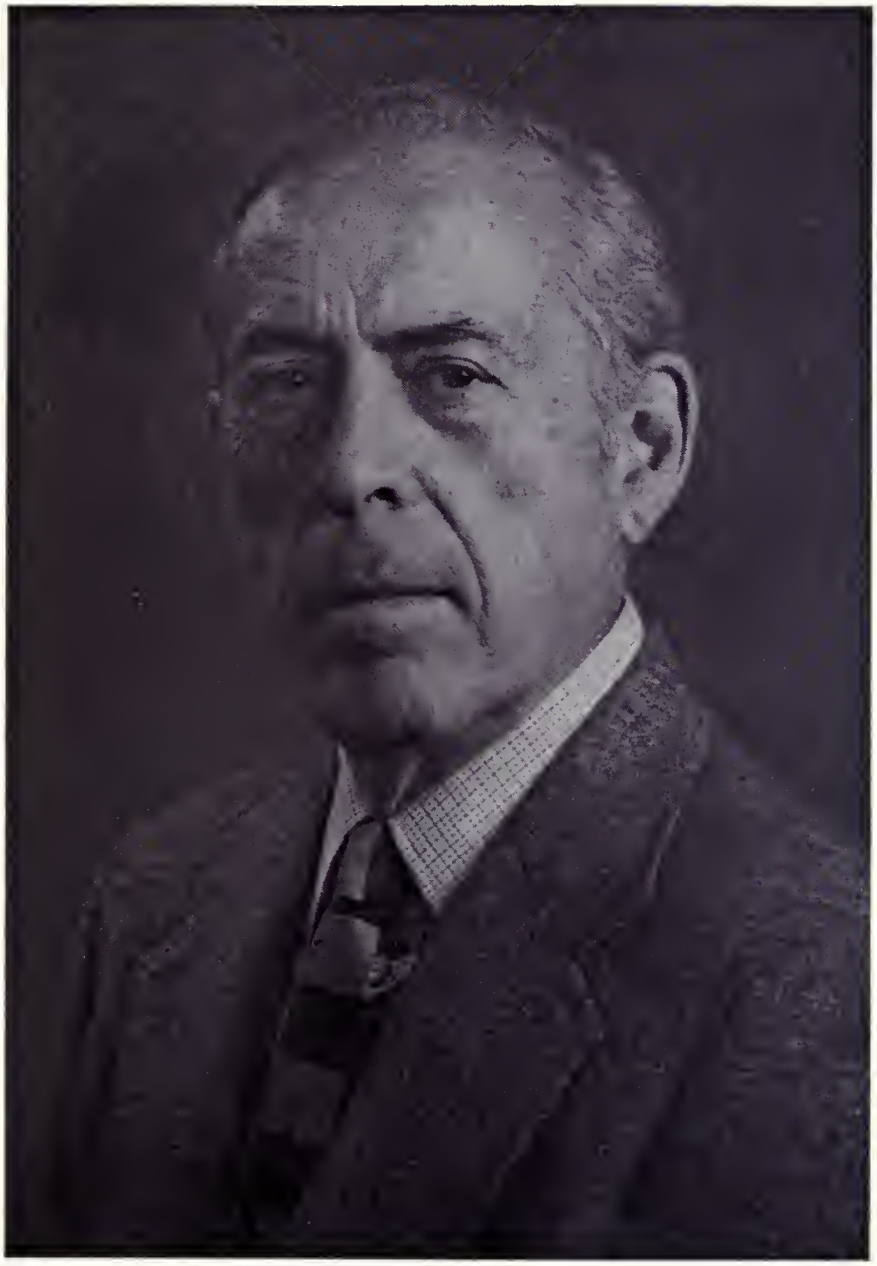

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PREFACE

Background of the Oral History Project

The Kaiser Permanente Medical Care Program recently observed its fortieth anniversary. Today, it is the largest, one of the oldest, and certainly the most influential group practice prepayment health plan in the nation. But in 1938, when Henry J. and Edgar F. Kaiser first collaborated with Dr. Sidney Garfield to provide medical care for the construction workers on the Grand Coulee Dam project in eastern Washington, they could scarcely have envisioned that it would attain the size and have the impact on medical care in the United States that it has today.

In an effort to document and preserve the story of Kaiser Permanente's evolution through the recollections of some of its surviving pioneers, men and women who remember vividly the plan's origins and formative years, the Board of Directors of Kaiser Foundation Hospitals sponsored this oral history project.

In combination with already available records, the interviews serve to enrich Kaiser Permanente's history for its physicians, employees, and members, and to offer a major resource for research into the history of health care financing and delivery, and some of the forces behind the rapid and sweeping changes now underway in the health care field.

A Synopsis of Kaiser Permanente History

There have been several milestones in the history of Kaiser Permanente. One could begin in 1933, when young Dr. Sidney Garfield entered fee-for-service practice in the southern California desert and prepared to care for workers building the Metropolitan Water District aqueduct from the Colorado River to Los Angeles. Circumstances soon caused him to develop a prepaid approach to providing quality care in a small, well-designed hospital near the construction site.

The Kaisers learned of Dr. Garfield's experience in health care financing and delivery through A. B. Ordway, Henry Kaiser's first employee. When they undertook the Grand Coulee project, the Kaisers persuaded Dr. Garfield to come in 1938 to eastern Washington State, where they were managing a consortium constructing the Grand Coulee Dam. Dr. Garfield and a handful of young doctors, whom he persuaded to join him, established a prepaid health plan at the damsite, one which later included the wives and children of workers as well as the workers themselves.

During World War II, Dr. Garfield and his associates--some of whom had followed him from the Coulee Dam project--continued the health plan, again

at the request of the Kaisers, who were now building Liberty Ships in Richmond, California, and on an island in the Columbia River between Vancouver, Washington and Portland, Oregon. The Kaisers would also produce steel in Fontana, California. Eventually, in hospitals and field stations in the Richmond/Oakland communities, in the Portland, Oregon/Vancouver, Washington areas, and in Fontana, the prepaid health care program served some 200,000 shipyard and steel plant employees and their dependents.

By the time the shipyards shut down in 1945, the medical program had enough successful experience behind it to motivate Dr. Garfield, the Kaisers, and a small group of physicians to carry the health plan beyond the employees of the Kaiser companies and offer it to the community as a whole. The doctors had concluded that this form of prepaid, integrated health care was the ideal way to practice medicine. Experience had already proven in the organization's own medical offices and hospitals the health plan's value in offering quality health care at a reasonable cost. Many former shipyard employees and their families also wanted to continue receiving the same type of health care they had known during the war.

Also important were the zeal and commitment of Henry J. Kaiser and his industry associates who agreed with the doctors about the program's values and, despite the antagonism of fee-for-service medicine, were eager for the success of the venture. Indeed, they hoped it might ultimately be expanded thoughout the nation. In September, 1945, the Henry J. Kaiser Company established the Permanente Health Plan, a nonprofit trust, and the medical care program was on its way.

Between 1945 and the mid-1950s, even as membership expanded in California, Oregon, and Washington, serious tensions developed between the doctors and the Kaiser-industry dominated management of the hospitals and health plan. These tensions threatened to tear the Program apart. Reduced to the simplest form, the basic question was, who would control the health plan--management or the doctors? Each had a crucial role in the organization. The symbiotic relationship had to be understood and mutually accepted.

From roughly 1955 to 1958, a small group of men representing management and the doctors, after many committee meetings and much heated debate, agreed upon a medical program reorganization, including a management-medical group contract, probably then unique in the history of medicine. Accord was reached because the participants, despite strong disagreements, were dedicated to the concept of prepaid group medical practice on a self-sustained, nonprofit basis.

After several more years of testing on both sides, a strong partnership emerged among the health plan, hospitals, and physician organizations. Resting on mutual trust and a sound fiscal formula, the Program has attained a strong national identity.

The Oral History Project

In August 1983, the office of Donald Duffy, Vice President, Public and Community Relations for Kaiser Foundation Health Plan and Hospitals, contacted Willa Baum, director of the Regional Oral History Office, about a possible oral history project with twenty to twenty-four pioneers of the Program. A year later the project was underway, funded by Kaiser Foundation Hospitals' Board of Directors.

A project advisory committee, comprised of seven persons with an interest in and knowledge of the organization's history, selected the interviewees and assisted the oral history project as needed. Donald Duffy assumed overall direction and Darlene Basmajian, his assistant, served as liaison with the Regional Oral History Office. Committee members are John Capener, Dr. Cecil Cutting, Donald Duffy, Robert J. Erickson, Scott Fleming, Dr. Paul Lairson, and Walter Palmer.

By year's end, ten pioneers had been selected and had agreed to participate in the project. They are Drs. Cecil Cutting, Sidney Garfield, Raymond Kay, Clifford Keene, Ernest Saward, and John Smillie, and Messrs. Frank Jones, George Link, Eugene Trefethen, Jr., and Avram Yedidia.

By mid-1985 an additional ten had agreed to participate. They are: Drs. Morris Collen, Wallace Cook, Alice Friedman, Benjamin Lewis, Sam Packer, Bill Reimers, Harry Shragg, and David Adelson, Lambreth (Handy) Hancock, and Berniece Oswald.

Plans to interview Dr. Garfield and Dr. Wallace Neighbor, who had been at Grand Coulee with Dr. Garfield, were sadly disrupted by their deaths a week apart in late 1984. Fortunately, both men had been previously interviewed. Their tapes and transcripts are on file in the Central Office of the medical care program. Similarly the project lost Karl Steil due to his lengthy illness and death in 1986.

The advisory committee suggested 1970 as the approximate cutoff date for research and documentation, since by that time the pioneering aspects of the organization had been completed. The Program was then expanding into other regions, and was encountering a new set of challenges such as Medicare and competition from other health maintenance organizations.

Research

Kaiser Permanente staff and the interviewees themselves provided excellent biographical sources on each interviewee as well as published and unpublished material on the history of the Program. The collected papers of Henry J. Kaiser on deposit in The Bancroft Library were also consulted. The oral history project staff collected other Kaiser Permanente publications, and started a file of newspaper articles on current health care topics. Most of this material will be deposited in The Bancroft Library with the oral history volumes. A bibliography is located at the end of the volume.

To gain additional background material for the interviews, the staff talked to five Kaiser Permanente physicians in northern California, two of whom had left the program years ago: Drs. Martin Abel, Richard Geist*, Ephraim Kahn*, James Smith*, and William Bleiberg*. James De Long* in Portland, and William Green*, William Allen*, and Dr. Toby Cole* in Denver talked about the history of their regions. In addition, Peter Morstadt*, formerly executive director of the Denver Medical Society discussed the attitude of the Medical Society toward Kaiser Permanente's years in Denver.

The staff also sought advice from the academic community. James Leiby, a professor in the Department of Social Welfare at UC Berkeley and an advocate of the oral history process, suggested lines of questioning related to his special interest in the administration of and relationships within public and private social agencies. Dr. Philip R. Lee, professor of social medicine and director of the Institute for Health Policy Studies at the University of California Medical School, proposed questions concerning the impact of health maintenance organizations on medical practice in the United States.

Organization of the Project

The Kaiser Permanente Oral History Project staff, comprised of Malca Chall, Sally Hughes, and Ora Huth, met frequently throughout 1985 to assign the interviews, plan the procedures and the time frame for research, interviewing, and editing, and to set up a master index. Interviews with the first nine pioneers took place between February and June, 1985, and with the second group between February and December, 1986. The transcripts of the tapes were edited, reviewed by the interviewees, typed, proofread, indexed, copied, and bound. The entire series will be completed during 1987.

Summary

This oral history project traces, from various individual perspectives, the evolution of the Kaiser Permanente Medical Care Program from 1938 to 1970. Each interview begins with a discussion of the individual's family background and education--those tangible and intangible forces that shaped his or her life. The conversation then shifts to the interviewee's participation in and observation of significant events in the development of the health plan. Thus, the reader is treated not only to facts on the history of the Program, but to opinions about the personal qualities of the men and women--doctors, other health care professionals, lawyers, accountants, and

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*Tapes of these interviews have been deposited in the Microforms Division of The Bancroft Library.

businessmen--who, often against great odds, dedicated themselves to the development of a health care system which, without their commitment and skills, might not have resulted in the individual and organizational achievements that the Kaiser Permanente Medical Care Program represents today.

The Regional Oral History Office was established to tape record autobiographical interviews with persons who have contributed significantly to the development of the West. The office is headed by Willa K. Baum and is under the administrative supervision of James D. Hart, the director of The Bancroft Library.

Malca Chall, Director
Kaiser Permanente Medical Care Program
Oral History Project

23 January 1987
Regional Oral History Office
Berkeley, California

INTERVIEW HISTORY--Benjamin Lewis

Dr. Benjamin Lewis was asked to participate in the Kaiser Permanente oral history project because of his leadership role and participation in pioneering prepaid group medical practice, plus his detailed knowledge about the historically significant San Diego Health Association acquired by Kaiser in 1967. His professional achievements were accomplished not only as a prepaid practice trailblazer, but also as a medical educator, a U.S. Army medical reservist, a fee-for-service physician, the sole surgeon on an Arizona Navajo Indian reservation, and from 1967 until 1976, a surgeon in the San Diego Kaiser Permanente Medical Care Program. Over the years, and especially since retiring, he has zealously accumulated and compiled historical documents, materials, and facts about the San Diego Health Association.

Dr. Lewis, a native of Brooklyn, New York, is the oldest of two sons of Polish immigrant parents. Family support, admiration for a caring neighborhood doctor, interest in the biological sciences, and graduation from Boys'High School led to enrollment in premed at City College of New York in 1929, football, Phi Beta Kappa, and cum laude recognition upon graduation. Enrollment in 1933 in New York University College of Medicine, graduation in 1937, and internship and varied residency at four New York inner city hospitals prepared him for his lifework. He points to his World War II South Pacific medical supply oversight duties as excellent preparation for the medical group administrative posts that followed. He credits his New York private practice associate, Dr. Fred Bancroft (of the University of California at Berkeley Bancroft Library Bancrofts), with introducing him to what became a lifetime interest in occupational medicine. Dr. Preston Wade is acknowledged as being responsible for his memorable experiences on the Navajo reservation and, ultimately, for his gratifying Kaiser Permanente affiliation.

On April 29 and 30, 1986, two-hour interview sessions were conducted in the tastefully furnished living room of the home of Dr. Lewis in La Mesa, overlooking the luxuriant green La Mesa hills. Mrs. Lewis came in occasionally from an adjoining room to inquire about the progress of the interviews. The third interview on June 26, 1986, was recorded in an office of the La Mesa Kaiser Permanente Medical Center. Lunch hosted by Dr. Lewis in the center's cafeteria pleasantly interrupted the six-hour session.

An outline presenting the scope and topics to be covered was sent in advance, and selected sections were discussed and adjusted before the interviews. During the preinterview conference Dr. Lewis added a section on the history of the San Diego Health Association's clinic and hospital, which he adjudged were as important as his experiences with the Kaiser Permanente Medical Care Program.

At his request Dr. Lewis received unedited transcripts of the April interviews and returned them at the third oral history taping in June. He received the edited transcript of the entire ten-hour session in mid-1987 and sent it back in several sections during August and September, 1987. He made substantial additions and revisions because he was not satisfied that his responses to interview questions were sufficient to tell the story as he wanted it presented. Poor health and the need to implant a cardiac pacemaker caused the unavoidable delay.

As he takes an overview look at health care today and prospects for the future Dr. Lewis emphasizes the need for medical care research and innovation. He discusses the problems medical insurers face in providing quality medical care for the elderly and those with chronic illnesses and disabilities:

> "The problem is not just Medicare and the elderly and it is not only a Kaiser Permanente problem: It is a problem for the entire social organism. The medical advances in diagnosis and treatment and the escalation of costs have been exceedingly rapid during my medical lifetime, and now they are heading toward becoming more numerous and more costly....Our civilized society that claims to value human beings, from the unborn fetus to the elderly, in all aspects of acute and chronic illness and disability, has to translate its values into supportive measures. I see two problems...Will the quality of care for the disadvantaged equal that received by the population who can afford to pay for it? Will the cost be subsidized by physicians and medical personnel, sickness insurance companies, employers, pharmaceutical and medical equipment manufacturers, mortgage banks, medical facility construction companies, or government (we, the taxpayers), or all of them or some of them?....Whatever the system of medical care, it should not be closed to the entry of new ideas and methods."

Ora Huth
Interviewer-Editor

5 October 1987
Regional Oral History Office
486 The Bancroft Library
University of California at Berkeley

I FAMILY BACKGROUND AND EDUCATION, 1911 TO 1937

[Interview 1: April 29, 1986]##

Huth: I'm going to begin your oral history today by asking you when and where you were born, Dr. Lewis.

Lewis: I was born a long time ago, on November 9, 1911, in Brooklyn, New York.

Huth: Did you stay in Brooklyn, New York, for your grammar school years?

Lewis: I lived in Brooklyn through high school and part of my first year in college.

The Lewis Family: Parents, Brothers, and Sisters

Huth: Will you please tell me something about your family background, beginning with your parents--where they were from, and whether they lived all of their lives in Brooklyn, New York?

Lewis: My parents migrated here from Poland separately. They met here in the United States for the first time.

Huth: Where did they meet?

Lewis: I don't know. It must have been about 1908.

Huth: And did they meet somewhere in the state of New York?

##This symbol indicates that a tape or a segment of a tape has begun or ended. For a guide to the tapes see page 131.

Lewis: Probably in Brooklyn.

Huth: Can you tell me anything about your grandparents and your family in Poland--where they were from?

Lewis: My father's family were farmers, and my mother's family were merchants. My father was a strong man and wrestler. He was offered a job in a traveling circus in his teens, but chose to emigrate to the United States.

Huth: Do you know what part of Poland they were from?

Lewis: Northeast Poland--very close to Russia and Lithuania. They often called it Russ-Poland because, for two or three centuries, control of the land see-sawed between Russia and Poland, and before that, the Duchy of Prussia, Austria, and even Turkey and Sweden. My parents were fluent in three or four languages.

Huth: Did your grandparents on either side come to this country?

Lewis: No. They did not.

Huth: And are either of them still living?

Lewis: Oh, no. They died a long time ago.

Huth: Are your parents still alive?

Lewis: No. Both of my parents died--in 1949, my father--in 1950, my mother.

Huth: What occupation did your father have?

Lewis: Being a farm boy he ended up in the wholesale fruit and produce business as the Gansevoort Produce Corporation on Gansevoort Street on the west side of Manhattan, near Fourteenth Street.

Huth: And did your mother work?

Lewis: She worked as a mother. She did everything except work with computers, because they didn't exist at that time.

Huth: But she was very busy, in other words?

Lewis: Oh, yes.

Huth: Did you have brothers or sisters?

Lewis: I have a younger brother.

Huth: And is he living?

Lewis: He's still alive, yes.

Huth: What is his name?

Lewis: His name is Abe.

Huth: Where does he live?

Lewis: He lives in Rock Tavern, New York.

Huth: Is that a small town?

Lewis: Yes, it's a small town.

Huth: What does he do?

Lewis: He's retired, but he was in the same business as my father.

Huth: Wholesale fruit and produce?

Lewis: Yes.

Huth: Did your mother have brothers or sisters?

Lewis: She did. She had a large family. They're all gone now, too. Most of those who remained in Poland were wiped out by the Nazis.

Huth: Her brothers and sisters, you mean?

Lewis: Yes. Only one sister came here to the United States. I think there were seven children. Four of them and their families lost their lives at that time. I had the good fortune of being able to see them once, about 1926 when my mother, brother, and I visited Poland.

Huth: What did they do?

Lewis: Well, I don't really know what her father did. Two of my uncles were grain merchants. Another had a restaurant on the main square where farmers sold a variety of farm products. And the fourth owned a shoe store.

Huth: Was it in the same place?

Lewis: Yes, all in the town of Suwalki.

Huth: What was the name of your mother's sister who came here--

Lewis: Her name was Miril. She came here with her four children to live with her husband in Chicago.

Huth: And what was her last name?

Lewis: Cohen.

Huth: Was she older than your mother?

Lewis: Yes. My mother was the youngest.

Huth: And so when they came, did just the two of them come?

Lewis: No, Miril came at a later date. Much later--about 1920.

Huth: How did your mother come then? Did she come all by herself?

Lewis: I believe so, unless she came with a relative; I don't know. Those are things I never thought of asking her. Now I regret I never did, because it must have been brave for teenagers, like my parents, to leave family and home behind and travel to live in a strange land forever.

Huth: Do you know how old she was when she came?

Lewis: I think she was around sixteen when she came. She came to live with her uncle's family on her mother's side. They lived in Brooklyn, New York.

[short interruption from wife]

Huth: When your father came here, how old was he--or did he come with other relatives?

Lewis: No, he came alone. I never knew his mother. When I traveled to Poland in 1926 I met only his father.

Huth: Do you know how old your father was when he came here?

Lewis: I think he was about nineteen. He was about three years older than my mother. I don't know just how they met. I'm sure I asked them and found out, but I don't remember now.

Huth: In your early years of growing up were there any other relatives that were around you, like cousins?

Lewis: Yes. My father's oldest sister and his youngest sister, who were married and living in Bayonne, New Jersey, had several children. Bayonne is on the south shore of the Hudson River, opposite New York City.

Huth: Were their children about your age?

Lewis: Yes.

Huth: Did you get together fairly often?

Lewis: Fairly often, yes.

Huth: Were any of these relatives important in your life later on; did any of these people influence you later?

Lewis: No, they didn't. One uncle who impressed me--this was my aunt's husband--had been in the Spanish-American War.

Huth: So he had been here earlier?

Lewis: He was here back in 1898. He was born in New Jersey. But that's all I know about him and his family.

Huth: Was he an uncle on your father's or mother's side?

Lewis: He was the husband of my father's sister.

Huth: Oh. What was his name? Do you remember?

Lewis: Morris Shapiro. [laughs] I haven't thought about him in a long time!

Early Life, Schooling, and Interests in Brooklyn, New York

Huth: You went to grammar school and high school in Brooklyn. What can you tell me about your early schooling?

Lewis: I went to Boys High School in Brooklyn.

Huth: And was that the name of it, Boys High School?

Lewis: Yes, Boys High School.

Huth: Was it a public school?

Lewis: Yes.

Huth: Do you remember the name of your grammar school?

Lewis: I went to two grammar schools. We lived originally near the ocean. It was more like being in the country out there. In fact, as I remember now, there were farms with horses, goats, and cows where my uncle lived. And then we moved inland to Williamsburg--closer to Manhattan but still in Brooklyn. I was born at home at 16 Ten Eyck Street in Williamsburg. I still remember the number of the second school.

Huth: [laughing] Oh, you do?

Lewis: It was Public School 16.

Huth: During your grammar school days did you have any special interests or special friends--anyone that you recall now?

[interruption, wife enters]

Was there anything you especially remember from your grammar school days?

Lewis: I remember two Irish teachers, dimly. One was young and kindly, and the other was an old ogre, whom everybody avoided. In 1918 there was sugar rationing. My young teacher mentioned that she liked sugar for her tea. My father, through his business, had access to sugar through his restaurant customers, and my teacher got sugar.

Huth: How about high school? In high school were there any particular subjects that you liked?

Lewis: I didn't like Latin. That was the only subject that I had trouble with. Otherwise, I did well in all the other subjects--well enough to be admitted to City College of New York, which required high grades.

Huth: Any special interests during your high school years?

Lewis: Football. The Brooklyn Dodgers baseball team played in Ebbets Field. I went to a few games, but I never became a fan.

Huth: Did you play football?

Lewis: Only in "sandlot" pickup teams in Prospect Park.

Early Scientific and Medical Inclinations

Huth: During your high school years did you have any particular interest in the sciences, or something that you perhaps looked forward to, such as an interest in medicine?

Lewis: I guess it was the sciences that I was interested in most.

Huth: Were you thinking about a medical career as early as high school days?

Lewis: My mother was. So I was exposed to this sort of suggestion.

Huth: How early in your life did she talk about this?

Lewis: When I was a senior in high school.

Huth: Do you know why she was especially interested in looking forward to a medical career?

Lewis: I guess it came from her recollection of her experiences in Poland. Every Jewish family wanted to have someone in the professions. Also, our neighbors were professionals--one lawyer, one doctor, and one dentist. So it was either lawyer, dentist, or doctor.

Huth: Did she also talk to your brother--I mean, to the effect that your brother should do this too?

Lewis: Yes. But he didn't.

Huth: His interests went another way?

Lewis: Yes, another way.

A Special Brother

Huth: During the high school years, did your brother already work for your father?

Lewis: Oh, no, he didn't. I didn't work there either. When I was in college I worked there on an occasional day. I didn't like it. It was hard work.

Huth: Did your brother like it?

Lewis: Yes.

Huth: Were you and your brother close?

Lewis: Oh, yes. We were and still are. We talk with each other about every two weeks. In fact, he's having his seventy-third birthday tomorrow--first of May--now that I think of it. I guess he'll be hearing from me.

Huth: Is he older or younger than you?

Lewis: He's three years younger.

Huth: Do you have any children?

Lewis: We have three children.

Huth: We'll get to that later, I want to ask about your wife first.

Prospects for a College Education.

Huth: When did you decide that you were going to go to college? Was that in your high school years?

Lewis: Yes.

Huth: You probably had to decide about that in order to take the proper courses.

Lewis: Well, there was no question I was going to college. I knew that all along.

Huth: Did you know which college you were going to?

Lewis: No, I didn't know where I wanted to go until my senior year because one of the neighbors said that "the place to get an education is City College of New York."

Huth: Which neighbor was this? Was he a friend of the family?

Lewis: Yes. He was a lawyer.

Huth: Did you tend to be friendly with your neighbors--close to your neighbors?

Lewis: Oh, yes.

Huth: Were they almost like part of the family?

Lewis: That's right. Yes. We were very close.

Huth: And have any of the neighbors continued to be friends since then?

Lewis: They're long gone, too.

Huth: How about your high school friends? Are there any of them that you still are close to?

Lewis: No. I don't remember any of them.

Marriage to Esther Eibel

Huth: What can you tell me about your wife? First of all, where did you meet your wife?

Lewis: One of my med school friends took me to meet a girl he knew who had a sister. And Esther, the sister, became my wife. And it was a funny thing, but I knew I was going to marry her right then and there.

Huth: Do you remember when you met?

Lewis: [thinking] 1937.

Huth: But was that soon afterwards--about a year after you met?

Lewis: Oh, no. About three years later. We were married in 1940. Christmas Eve. That was so neither of us would forget.

Huth: What can you tell me about your wife--what her early interests were, and about her family? First, what is her name?

Lewis: Her name is Esther. Her maiden name was Eibel. Her parents were from Vienna.

Huth: And did they come to this country?

Lewis: They met in this country, I believe. They weren't married abroad; they met here and married.

Huth: Are they still living?

Lewis: No. They both passed away in their eighties.

Huth: Where did she live with her parents? What city--do you know?

Lewis: In New York City. Both our families were living in Manhattan at that time. In fact, we lived about a mile apart, on Riverside Drive, overlooking the Hudson River.

Huth: Do you know anything about her early interests, what she liked?

Lewis: Everything.

Huth: She liked everything?

Lewis: Yes. Everything in the way of music, art, and literature.

Huth: Where did she go to school?

Lewis: She went to Hunter College. Before that she went to George Washington High School in Manhattan, then to Hunter College, where she majored in French, and to graduate school at Columbia University, where she was working toward a Ph.D. in comparative literature.

Huth: Did she finish her work?

Lewis: No. We got married, and the war [World War II] came along, then three children, and that disrupted everything.

Huth: But she was working on it when you met her?

Lewis: Yes. But everything was her dish of tea: literature, music, art--that's one of the reasons I married her--to learn about the arts, which were not included in my college courses.

Huth: Did you?

Lewis: Sure did [laughs].

Huth: And the literature, music, and art have continued to be important to her?

Lewis: Yes.

Huth: Did she ever work?

Lewis: Yes, she had a Social Security number before I got mine. She worked for a newspaper as an executive secretary to the publisher. It was a small, local newspaper. I don't know the exact name.

Huth: Where was the newspaper located?

Lewis: It was in New York City.

Three Sons: Malcolm, Jonathan, and Adam

Huth: When and where were your children born? How many do you have?

Lewis: We have three sons.

Huth: Were they born during wartime?

Lewis: The first one was. He was born in 1942. In fact, he arrived on Thanksgiving Day.

Huth: What is his name?

Lewis: His name is Malcolm, Malcolm Laik.

Huth: That's a middle name?

Lewis: Yes.

Huth: And the other two sons, when were they born and what are their names?

Lewis: The second son was Jonathan Alik. He was born in 1946.

Huth: And the third one would be your youngest?

Lewis: Yes. He is Adam Aiken. He was born in 1947. They were all born in the French Hospital in Manhattan.

Huth: Where were you living then?

Lewis: We were living in Manhattan at that time. Before I went overseas we were living at 10 Downing Street--not in London--in Greenwich Village. Then my wife moved in with her parents in mid-Manhattan. When I returned from overseas we lived where the army assigned me, first in Binghamton, New York, then Fort Dix, New Jersey. After the end of the

Lewis: war and discharge from the army, we bought a house on Long Island in Thomaston, and later in the town of Lake Success, where the United Nations headquarters was located, pending construction of its permanent home in Manhattan.

Huth: Can you give me a little description of each of your sons. They're probably going to be reading your oral history. Just say a little bit about each one, starting with the first one, Malcolm, and describing what his interests are, and where he went to college, and what he's doing now?

Lewis: Well, that's going to take all day!

Huth: Oh! Can you summarize?

Lewis: Yes, I can summarize, with difficulty. There is much to tell about each one's wide range of interests and athletic activities. We are very proud of them. Malcolm spent his first college year at Bowdoin in Maine, where he waited on tables and competed in water polo and cross country track. He was graduated from United States International University in San Diego with a bachelors degree in math and physics. He spent some time at Scripps Institute of Oceanography with a Dr. Menard in cartography and at the Naval Electronics Laboratory, both in San Diego. He did graduate work in theorectical physics at the University of California in Santa Barbara, then embarked on his own career as a consultant to industries in math and physics. Now he is vice-president of a firm which designs and builds integrated computer systems for space telemetry.

During the Vietnam War he served as a first lieutenant in Intelligence and as an executive officer in the Engineers Corps in Germany.

He lives in Santa Barbara where he grows crops of fruits, vegetables, and flowers for personal use.

Huth: Is he married?

Lewis: Yes.

Huth: Who did he marry?

Lewis: He married Nancy Nimmo, and they have two children. Two boys.

Huth: So you have two grandsons?

Lewis: Yes.

Huth: And what are your grandsons' names?

Lewis: One is David, and the youngest is Aaron.

Huth: How old are David and Aaron?

Lewis: Nine, and six.

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Huth: What would you like to tell me about your grandchildren, David and Aaron?

Lewis: Oh. They're progressing like all children are. Physically explosive! But, they seem to be settling down. They are receiving a good education at a private school--

Huth: Any special interests?

Lewis: Yes. They're interested in toys, rocks, sea life, and the Santa Barbara Museum of Natural History. Both are receiving karate instruction.

Huth: Do they help grow some of the vegetables?

Lewis: Oh, yes. They grow them, and they eat them too.

Huth: And Nancy, what does she do?

Lewis: Nancy works for the Santa Barbara Research Center. She is an engineer member of the technical staff working on an aspect of space exploration. She is also on the board of trustees of a private school David and Aaron attend.

Huth: And to go on to your second son--

Lewis: Jonathan.

Huth: Did he go to college?

Lewis: He was graduated from the University of California at San Diego (UCSD) where he obtained a bachelor and master of science degrees in biology in the field of immunology. And then he spent two years in a doctoral cancer research program. He withdrew from UCSD and went into an accounting career. He is now a member of a national accounting firm in San Diego and specializes as manager of its tax and financial planning for hospitals, medical group practices and health related entities section. He is on the board of directors of the San Diego chapter of the American Heart Association. During his college and post-graduate years he worked in the San Diego Kaiser Hospital Laboratory.

Lewis: Also more than worthy of note is that he was a helicopter pilot (chief warrant officer) in Vietnam and was the recipient of about thirty medals for flying, valor, and wounds in one year. He was also commander of the squadron's MEDEVAC section and wrote a handbook on medical evacuation procedures and techniques.

Huth: He wasn't harmed like some of the men were who came back?

Lewis: Not that way, not that.

Huth: Was he drafted or did he enlist?

Lewis: If he volunteered he could select what he wanted to do. He was a civilian pilot and elected to fly, fixed wing or helicopter. He was given helicopter training.

Huth: Was he married when he entered the army?

Lewis: Yes.

Huth: What was his wife's maiden name?

Lewis: Darby Ann See. She has a bachelor of arts degree in psychology from the University of California at Berkeley.

Huth: Do they have children?

Lewis: They have a six-year old girl. I call her "lovely lady Lindsey Lewis." And they have another lovely little lady, Kerry Alexandra.

Huth: The next one is your youngest son.

Lewis: That is Adam--Adam Aiken.

Huth: Did he go to college?

Lewis: I'll summarize about Adam briefly, as you requested. He was graduated from the University of California at Santa Barbara. His major was philosophy in which he obtained bachelor and masters degrees and served as a teaching assistant. He was graduated from the University of California at Davis, J.D. [Juris Doctor--Doctor of Law], second in his class, and was elected to the Order of Coif.

At present he is a partner in an old respected San Francisco law firm. His specialty is bankruptcy and he serves on the bankruptcy committees of the American Bar Association and the State Bar of California. He is chairman of the American Branch of the Association

Lewis: of Montessori Schools International. Incidentally, he too was employed at Kaiser Permanente in San Diego as administrative assistant to Lynn Boose, former hospital administrator.

Huth: That's quite a combination, philosophy and law, isn't it?

Lewis: Yes, it is.

Huth: I know some others who've done that.

Lewis: Apparently law firms like to have people who have a background in philosophy. He had several offers of employment and settled on the firm he is with.

Huth: Is he married?

Lewis: He is married but has no children.

Huth: Who did he marry?

Lewis: Phyllis Pottish, a teacher in the Montessori school system.

Huth: Do they live in San Francisco?

Lewis: They live in Oakland. They are members of Kaiser Permanente in Walnut Creek.

Huth: Have you told your sons about this oral history?

Lewis: I never tell my sons about my personal affairs unless I need their advice, which is not infrequent.

Huth: Now, I think we're ready to move on to your college years.

Enrollment in City College of New York, 1929

Huth: Dr. Lewis, when and where did you go to college.

Lewis: I went to City College of New York, beginning in 1929. Science was my major. I was working towards premed, but I was also interested in geology. The science I took was good for both premed and geology. But when I was accepted into medical school I decided against geology.

Huth: Did you go into geology in depth?

Lewis: I spent a year at it. My instructor, whose name was Sullivan, was or had been a practicing geologist in the field. He made the subject come alive, especially a field trip covering the geology of Manhattan and surrounding areas. The history of the Hudson River canyon and the glacial scratches on the granite outcroppings were a new world to me. Of course, I received "A" ratings in my courses. My interest in rocks rubbed off on my son Malcolm, and he passed it on to both his sons.

Huth: When did you graduate from City College?

Lewis: Nineteen thirty-three, with a bachelor of science, cum laude, Phi Beta Kappa, and four years of football.

Huth: What position did you play?

Lewis: I was a blocker. I played running guard on offense. In those years the game wasn't played with an offensive and defensive team as it is now. So in my senior year I played full time, without substitution, in every game but one.

Huth: Did you have any permanent injuries from it?

Lewis: No, I never had any permanent injuries, just minor ones.

Huth: That must have been something, to play football four years and graduate Phi Beta Kappa.

Lewis: Yes. It was especially unusual at City College, whose students were better known for scholastics than athletics, although it did have championship level basketball teams coached by the great Nat Holman in the 1930s.

An Inspirational Family Doctor

Lewis: There was also an old doctor there [in Brooklyn], back in my younger days, who took care of me. He carried me through several rough childhood illnesses, so I guess that influenced me a bit, too.

Huth: Did you admire him?

Lewis: Yes.

Huth: Were there no medical people anywhere in your family, or others in your neighborhood, who were any closer than this man who inspired you?

Lewis: No.

Huth: Do you remember his name?

Lewis: I certainly do. His name was Dr. Fleiss [spells].

Huth: And he was your family doctor?

Lewis: He was, yes. He lived about a block away, and I can still remember when I was ill with diptheria--

Huth: During the big national diptheria epidemic?

Lewis: I guess so, yes. And he had intubated--that is, put a tube down my larynx because a membrane was growing there and was blocking my breathing.

Huth: Did he save your life?

Lewis: Yes. I still remember that I coughed--during the night I had a severe coughing spell--and the tube came out. He was called and came in his pajamas.

Huth: Did he have an office there at his home location?

Lewis: Yes, he had an office in his home.

Huth: But he was a general practitioner?

Lewis: General practitioner, yes. But in those days they did a lot of things that now they call on a specialist to do. He was very pleased of course that I hadn't choked to death because I coughed up the tube and the membrane and was breathing normally.

I even remember when I had a tonsilectomy. This was done in Manhattan in a private office where the doctors specialized in ear, nose, and throat. They had set up their own little operating room. And I remember how gaily I went to this party--

Huth: Were you older--?

Lewis: The diptheretic episode was when I was quite young, I guess. And this other episode was a couple of years later--going gaily to this party in Manhattan, and being put on a table and having an ether mask put over my nose and mouth. I still remember [laughs] struggling, and lights and stars shooting out all over.

Huth: And you thought you were going to a party?

Lewis: Yes.

Huth: And it ended up that was the way they got you to take the ether.

More On the College Years and Medical School

Huth: What were your college years like? Did you live at home when you went to college?

Lewis: Yes, at home. By that time we had moved into Manhattan, so I didn't have to travel a long distance from home. We still lived in Brooklyn during part of my first year in college.

Huth: Did you ever live in a dormitory during college years?

Lewis: No, always at home.

Huth: Did you have any special friends in your college years?

Lewis: Yes. There was one, who eventually became a professor of chemistry at a mid-west university. I ran across his name years later--many, many years later [laughs]. He was mentioned as having received a prize for his research.

Huth: Do you remember his name?

Lewis: No, I don't recall his name now.

Huth: You haven't kept in touch, then.

Lewis: And I also had a good friend, Victor Cohen, who majored in physics. His father was Morris Raphael Cohen, a prominent philosopher, who was chairman of the department at City College. Victor graduated one year before me. He joined the Brookhaven Research Laboratory on Long Island as a physicist.

Huth: Have you kept in touch with him?

Lewis: We did until I left New York--which was in 1954.

Huth: But you haven't seen him since then.

Lewis: No.

Huth: Did you go on any vacations in your early years?

Lewis: During my college summers I was a swimming instructor and lifeguard at a boys camp in Pennsylvania, called Delawaxen, because it was on the Delaware River near a small town, Lackawaxen. An old wooden toll bridge crossed the river. The grave of a Revolutionary soldier and tombstone sat on the side of the road leading to camp.

I made three good friends at the camp: Bill Bergoffen, for about twenty years, who joined the US Forest Service; Babe Scheuer, for about ten years, who became an accountant; and Sam Cartin, for about thirty years, who became a dentist in Toledo, Ohio. During medical school years the only extended vacation I had was a canoe trip through the Saranac Lakes in Upper New York state. My wife and I and our three sons took the same canoe trip in 1952 or 1953.

Huth: What boys camps were they? Were they associated with any particular group?

Lewis: No, Delawaxen was a private camp. I took Red Cross lifeguard training and proudly wore its logo on my swim trunks.

Huth: That would have been in the summers?

Lewis: Yes.

Huth: Did you have any other jobs in your high school or college years?

Lewis: No, I never had any job--never worked.

Huth: When you worked in your father's business, were you paid?

Lewis: Yes, I got a token something or other--.

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Huth: In college were there any subject areas that you missed getting the background that you would have liked to have had?

Lewis: Yes. I wanted to get beyond the advanced calculus, and I wanted to get more geology, but there just wasn't time to get into that. I was busy enough as it was carrying my premed courses.

Huth: Was there a medical fraternity to which premeds belonged?

Lewis: No.

Huth: Were there any professors that stand out as having been especially memorable? You told me about one that you liked.

Lewis: Yes. His name was Sullivan.

Huth: Do you remember a first name?

Lewis: No, I don't.

Huth: And what did he teach?

Lewis: Geology.

Huth: And that's the one you told me about earlier?

Lewis: That's right.

Huth: Does anyone stand out in any of the other areas? How about in your premed classes?

Lewis: I don't remember any of the others.

Huth: When you graduated, was it an important event for you?

Lewis: Oh, yes. Sort of the first one in the family.

Huth: Do you credit your training at the City College of New York with any of your later successes?

Lewis: I got a tremendous education there. They demanded good work. There was lots of it to do--there was no coddling--and there were no distractions on campus.

Huth: Were there any distractions in living at home? Was that ever a problem?

Lewis: No.

Huth: You always had plenty of time for your studies?

Lewis: Yes. Right. Everything that was necessary. I never demanded much. Whatever I wanted was there.

Huth: Did you have a room of your own?

Lewis: Yes.

Huth: Now, as to the decision to go to medical school: Did you consider several medical schools, or only one?

Lewis: No, I considered several, but I can't remember the others.

Huth: But you decided on New York University [NYU] Medical College in 1933?

Lewis: Yes, because it was the first one that accepted me.

Huth: Was it as difficult in those days to get into medical school as it is now?

Lewis: Yes. I think there were--now as I recall--about fourteen applicants from City College.

Huth: How many made it?

Lewis: Two.

Huth: And you were one of them. Do you know anything about the other person who was chosen?

Lewis: I knew him well. Dick Marshak. He was accepted at the St. Louis University Medical School. He became a radiologist.

Huth: Since you could not continue football in medical school, what did you do to keep physically fit?

Lewis: For about a year we had a basketball team--a medical school freshman basketball team. We played Physicians and Surgeons--Columbia University Medical School. But after that there was no more athletics. Tennis, I guess, is all that I played--for recreation only.

Huth: Did you play tennis during all those years?

Lewis: I picked it up in college. I became interested then. Oh--there's a college friend--you were asking me about college friends [laughs]--

Huth: Was that City College?

Lewis: Yes. There was one. His name is Sam Gise. We often played tennis.

Huth: And is this someone that you kept in touch with?

Lewis: Yes, I just saw him two weeks ago. When he comes out to the West Coast to see his brother in Los Angeles, he comes down here to visit me. We have kept in touch for fifty years.

Huth: Where does he live?

Lewis: He lives in Great Neck, New York.

Huth: And did he become a doctor, too?

Lewis: No, he didn't. He played lacrosse--he was on a lacrosse team at City College. That was how I met him.

Huth: Did you play lacrosse?

Lewis: No.

Huth: But you met him because you were in football?

Lewis: Yes. We met on the football field. The lacrosse team was practicing at one end of the stadium and we ran across each other and said, "hello." After practice we met again. He had a car, and offered to give me a lift. I told him I was going to Dyckman Street. He said he lived in that area.

Huth: Is Dyckman Street where your family lived?

Lewis: Dyckman Street is a main thoroughfare. I lived a block away on Thayer Street. I figured he would know where Dyckman Street was and wouldn't know Thayer Street.

Huth: Can you give me any reason why you remained friends over the years? Is there anything special about him that you want to tell me.

Lewis: Yes. He was very easy-going.

Huth: He offered you a ride that first day.

Lewis: Yes. And from that day on we became fast friends.

Huth: What did he go on to do?

Lewis: He got into the paper business--I don't mean newspapers, I mean paper sales. A paper sales company.

Huth: Anything else you want to say about your friend?

Lewis: No. That's about it.

Huth: Anything else about medical school? Were you in the Army Medical Corps Reserve at that time--while you were in medical school?

Lewis: No. An army recruiter came to the medical school offering first lieutenant commissions in the army reserve to senior medical students. I decided I owed my country something, so I got into the Army Medical Corps Reserve. I wanted to get into the navy reserve, but my electrocardiograph showed an abnormality they didn't like, and they turned me down. But the army didn't fuss. [laughs]

II INTERNSHIP AND RESIDENCY IN NEW YORK CITY, 1937 TO 1940

Huth: Now we're ready to talk about your internship in New York City. What places did you consider for your internship, and why did you choose the Bronx Hospital?

Lewis: One of my wife's brothers-in-law was at that hospital.

Huth: You had already met your wife, then?

Lewis: Yes. This was in 1937. They needed a resident in pathology. My internship wasn't going to start until 1938--my regular internship. Since I knew I was going to be interested in surgery, I thought I certainly ought to have a background in pathology to go with it. So that was a pathology residency, or internship, whatever one wanted to call it.

Huth: Did you live at home during that time?

Lewis: No, I lived at the hospital.

Huth: What can you tell me about that year at the Bronx Hospital?

Lewis: Well, I worked for Dr. Joseph Felsen, the pathologist.

Huth: And was that a productive year?

Lewis: It was very productive for me--tieing in the disease with the microscopic tissues was instructive. I also did post-mortems, which further made the clinical course of disease understandable.

Huth: Was it partly because of Dr. Felsen that it was such a good year?

Lewis: Yes. We also worked on a paper that was presented at an American Medical Association [AMA] meeting. It had to do with appendicitis.

Huth: Was it well-received?

Lewis: Oh, it was just an exhibit. No big deal. It was titled "Acute Segmental Appendicitis." It was published in the Archives of Surgery about 1938.

Huth: Did you get some credit for it, too?

Lewis: Oh, yes. Of course his name came first. It was his idea, but I devised the experiments on rabbit's appendixes, which are larger than in humans and have a ladder-like double blood supply.

Huth: Is there anything else you want to tell me about the Bronx Hospital?

Lewis: No, that's about it.

Huth: And when you moved over to the Lincoln Hospital--was that a continuation of your internship.

Lewis: Lincoln was also in the Bronx. The hospital had started as a refuge for runaway slaves and was later turned over to New York City as Lincoln Hospital, with the proviso that it be a nursing school for blacks. The nurses were black. The director of nursing and the medical superintendent were white, as were most of the poor population in the area covered by Lincoln.

Huth: You worked there in surgery?

Lewis: It was a two-year rotating internship consisting of six months each--spent on riding ambulance, medicine, obstetrics-gynecology and surgery. The intern selected one of the three preferred specialties for the final six months. It was called a house-ship. I selected surgery.

I rode ambulance the first six months and should have kept a diary. One house call I remember and often relate involved climbing six flights of stairs in an apartment house across the street from the hospital. The woman told me her husband needed aspirin for a headache and was too tired to come to the emergency room.

I took movies from within the ambulance on a wild trip showing the bus [ambulance] bouncing, swaying and zig-zaging through car and trolley traffic.

Huth: Were there any special tasks that you had at that time? Honors, or awards?

Lewis: I was president of the Intern Council.

Huth: How did you become president?

Lewis: The staff voted me in.

Huth: You were active in the internship organization?

Lewis: Yes.

Hutch: Were you president for more than one year?

Lewis: No, it was one year.

Huth: Anything else you remember?

Lewis: I owned a sixteen milimeter movie camera and made a one thousand feet movie for our annual staff party. Instead of hiring a band to provide music, as in the past, I convinced the Intern Council to give me the band's forty dollar fee to buy film to provide the entertainment. I wrote the script, which was read in synchrony with the scenes projected. It was irreverent and humorous. I still have the movie and the script, but it is not as funny as it once was.

III WORLD WAR II: US ARMY MEDICAL CORPS, OCTOBER 1940 TO FEBRUARY 1946

Huth: Can you tell me about your World War II activities? You were in the US Army Medical Corps. Were you already married in 1940?

Lewis: No, not until December 24, 1940, on Christmas Eve.

Huth: But you knew, or you were acquainted with your wife.

Lewis: Yes. When I went into the service it was in 1940, before the limited emergency had--I think the limited emergency had gone into effect in October or so--

Huth: What is the limited emergency?

Lewis: That was before World War II. President Roosevelt declared a limited emergency. So, being in the reserves, I was called up for active duty. Since the prewartime army forces were very small, they needed a few doctors and called up reserve doctors.

Huth: When you went in did you have a particular rank?

Lewis: I was ranked first lieutenant.

Fort Hancock, New Jersey

Huth: Where were you sent first?

Lewis: I was sent to Fort Hancock in New Jersey. That was in 1940.

Huth: What were your tasks?

Lewis: Oh, a whole variety of them. Sanitation officer, chief of surgery for a few months, detachment commander, plans and training, transportation officer, etcetera. I was promoted to captain late in 1941.

Huth: Were all of those assignments at the same time?

Lewis: All at the same time. Oh, yes. There wasn't much to do.

Huth: You weren't busy day and night with this job?

Lewis: No.

Huth: Anything else you want to tell me about Fort Hancock? Did anybody you met there become a special friend?

Lewis: I remember some of the people. But once we left there, I never ran across them again.

Overseas Duty, 1942-1943

Huth: What happened so that you left there? What caused you to leave?

Lewis: I went overseas in April 1942.

Huth: Where were you sent?

Lewis: The Southwest Pacific. That's Australia and New Guinea.

Huth: What ship was it?

Lewis: It was the SS Ancon, and that was really a tub.

Huth: Was it a very large ship, or--?

Lewis: It was a small cargo carrier converted to a troop ship. It not only rolled but it went up and down from front to back.

As I said, we left San Francisco in April 1942. Other ships joined us--about six total, plus one destroyer--all the way to Australia. About three weeks later we disembarked in Adelaide, Australia. The Coral Sea naval battle was fought while we were en route, with the Americans forces victorious. Because of Pearl Harbor we had been very concerned. News bulletins were issued until it ended.

Huth: Was the Coral Sea near Pearl Harbor?

Lewis: No. It is located off the northeast coast of Australia, where we were heading.

Huth: Did you ever see any of the battle?

Lewis: No, but we weren't far away. Our little destroyer ship herded us as we zig-zagged.

Huth: You said it was a small ship. About how many men were on it?

Lewis: I would say about three thousand. The bunks were three high. Meals were served in three shifts all day long.

Huth: Was it a ship intended to carry people?

Lewis: Troop carrier, yes. It was a commercial freighter that had been converted to a troop ship.

Huth: Were there any memorable experiences at sea?

Lewis: I would have to consult my diary.

Huth: Were you a pretty good sailer?

Lewis: Yes. I didn't get seasick. I also made a few dollars playing poker [laughter], which I sent home. We landed in Australia a few weeks later.

Sydney, Australia

Huth: Did you have duty in Australia?

Lewis: Yes.

Huth: At what place?

Lewis: In Sydney, Australia. I went overseas with a group--you had to go with a group, you didn't go alone. The group was called the Second Port of Embarkation. The role of a port was to receive troops and supplies and distribute troops and supplies. So at our port of embarkation, in our group, there were three or four doctors, and the others were engineers, quartermasters, signal, and other branches. So it was a mixture of everything that would be able to handle anything that goes through a port.

Huth: Were the doctors from different specialties, or all just general medics?

Lewis: Just doctors, period.

Huth: Just general medical doctors?

Lewis: Well, they could have been anything. I think one was a dermatologist.

Huth: But you weren't picked because you had a particular specialty?

Lewis: No.

Huth: You weren't picked because you were a surgeon?

Lewis: No.

Huth: Did you have a job title at that time? What did they call you? [laughs]

Lewis: Well, I don't remember the M.O. [medical officer term] for it. It couldn't have been much of anything, just general practitioner or something.

Huth: You were a captain at that time?

Lewis: Yes. So when we got to Sydney, the medical officer of the Port of Sydney--it was a base section like a port of embarkation--which encompasses all the various specialty departments of the army: chemical

Lewis: warfare, engineers, signal corps, quartermasters, medical. The medical doctor in charge of the base section assigned us to jobs.

Huth: To keep you busy.

Lewis: To keep us busy! One day he called me in--I remember his name was French, Dr. French, a little fellow, one of those who had been in the army too long. He said, "Lewis! I know what I want you to do. I want you to set up a base section for medical supplies." I said, "I don't know anything about medical supplies!" [laughs] He said, "I've got a master sergeant who knows about medical supplies. He'll teach you." In other words, I was given a title, Medical Supply Officer. Persumably all I had to do was sign papers, and the sergeant would do all the work.

He told us to go out and find a warehouse! We went out and found a warehouse. The sergeant--I don't remember his name--was very good, so I learned a great deal from him about medical supplies. But there weren't many medical supplies; the only medical supplies we were getting were distress cargo supplies from ships that were dumping whatever they had. But no supplies had come from the continental United States. The supplies we received or bought locally were very meager and totally inadequate for anything except first aid, practically.

Huth: And what were those supplies going to be used for?

Lewis: They were supposed to be used for supplying the American hospitals that were coming and for troops in New Guinea. I think we were amongst the first ones over there.

Huth: So while you were there, did the hospitals arrive?

Lewis: Yes. They came looking for supplies, and we didn't have any. So they had to lump it like everyone else did.

Huth: They got along on your first aid?

Lewis: On the first aid. That's all we had--and whatever supplies they brought with them. But we couldn't replenish them. Gradually, we were able to get more supplies by ordering them. Some did begin to come in. We developed it a little further as we went along, but most of the supplies had to be sent up to New Guinea to the Thirty-second Infantry Division.

Huth: Did you go up there?

Lewis: Not at this time. One of the doctors in the Thirty-second was a friend of mine, whom I knew from Lincoln Hospital.

Huth: What is his name?

Lewis: Ben Krentz.

As a matter of fact, that whole infantry division was wiped out mostly by disease and a small amount of casualties. Ben Krentz, a little doctor, who didn't look like a soldier at all--was the last one out. He didn't get sick. Eventually he landed down in Sydney on rest and recreation leave where we met again.

Huth: Did they ever know what the disease was?

Lewis: It was all kinds of tropical diseases, chiefly dysentery.

Huth: But he didn't get them?

Lewis: He didn't get any, though he was wasted away--he was so skinny, so thin and worn. But in a couple of weeks I fattened him up.

Huth: Is there anything else you want to tell me about New Guinea and Australia? Were there any unusual things that happened, any stories from there?

Lewis: Plenty. Oh, that would take a long time.

New Guinea, and Tropical Illness

Huth: All right. Shall we move on to your next location? Where were you located next? Did the army send you someplace else?

Lewis: Well, from Sydney I went up to New Guinea to the advanced base in Port Moresby, late in 1942.

Huth: And what did you do up there?

Lewis: Guess.

Huth: Guess?

Lewis: Medical supply! Without my Sydney master sergeant. I was now a five-month expert.

Huth: This time did you have supplies?

Lewis: I set up the first medical supply depot in New Guinea--at Port Moresby. The sergeant didn't come with me. So you could say I was all on my own. I had a crew of young and willing soldiers, and we were able to get a fair amount of supplies. We would work filling up our trucks in the daytime, and drive them at night--up to the airport--which was up in the mountains. The mountains came right down to the water, so there was no place where they could have an airstrip, so the airstrip was on flat ground in the mountains. I drove one of the big six-wheel trucks. I also had to carry a gun. I didn't want to but was told I must.

Huth: Did you ever shoot it?

Lewis: I took one shot to see how it felt. The thing almost kicked out of my hands. [laughs]

Huth: So you didn't ever have to shoot it?

Lewis: Didn't ever have to, no. There were bombing raids that didn't seem to hurt anybody or anything, but no enemy soldiers. The natives were friendly.

Huth: They had the special targets and they usually hit them, did they?

Lewis: I don't recall their bombs doing any damage to people and places.

And there, I picked up bacillary dysentery and dengue fever [spells] at the same time. They're now finding dengue fever here in the United States. It's being brought in by people from the Far East.

Huth: Was this particularly bad, to have both at the same time?

Lewis: One was bad; both were terrible--I was hospitalized.

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Most of my time was spent going from my bed to the outhouse--day and night, practically. I thought I was going to die and I thought of my wife and our unborn child.

Huth: How long was it until you could get out of New Guinea?

Lewis: Well, I was evacuated down to the mainland, to Townsville--Townsville, Australia--because my condition had deteriorated. The only thing that saved me, I guess, was sulfaguanidine, one of the new sulfa drugs that

Lewis: my medical supply depot happened to have. It was being used on everybody there who had diarrhea. I had lost about thirty pounds in three weeks. I was very weak and gaunt, so I was evacuated south to Townsville to recuperate and make room in the hospital for new cases.

Huth: How long did it take?

Lewis: I was ordered back in New Guinea in about a month.

Huth: So you went right back again!

Lewis: Yes, right back again. By that time I think I weighed 140 pounds, down from 175.

Huth: Still thin?

Lewis: Very thin but well. I continued to have occasional bouts of diarrhea every time I went up to New Guinea, which I did often from my later assignments. But nothing like what I had in 1942.

Huth: You didn't get that fever again?

Lewis: Never had dengue again, no.

Back to Sydney

Lewis: Following that I was transferred down to Sydney, back to Sydney as medical supply officer in 1943.

Huth: This was the place that hadn't had any supplies?

Lewis: Yes, before. Now I was the base section MSO [medical supply officer]. My chief concern was transporting medical supplies and equipment to several medical supply depots in New Guinea. I knew what was needed and what the problems were up in New Guinea.

Huth: And were you able to do it better?

Lewis: Yes, I was very good at it because, for one reason, the transportation officer was a good friend of mine! [laughs]

Huth: Was that someone you knew before?

Lewis: Yes. William S. Powers.

Huth: Where did you meet him?

Lewis: At the original second Port of Embarkation. We came over together. He was from Elizabeth, New Jersey.

Huth: So what did you do in Sydney?

Lewis: I was able to wheedle space from him for transporting medical supplies on the ships that were going up to New Guinea, and elsewhere--more space than was allotted to me. I convinced them that "an army couldn't travel on its belly, or in the bathroom, and we'd better get medical, surgical, and other supplies up there that are needed."

Huth: And they--the supplies--came through?

Lewis: Yes, so that helped a great deal.

Huth: Were these supplies coming from the U.S.?

Lewis: Yes, from the U.S. to Sydney.

Huth: Were you still ranked as a captain at that time?

Lewis: No, I had been promoted to major early in 1943.

Huth: Did they grade medical officers at that time?

Lewis: I think they did something along those lines, but I don't recall that. I'm sure that paperwork always goes on with the requirement to assess whoever's working for you.

Huth: Anything else from that time period. What time period was this?

Lewis: 1942 and '43.

Brisbane, Australia

Lewis: And then I was transferred late in 1943 from Sydney to the Brisbane base section in the same capacity of medical supply officer.

Huth: And Brisbane is where?

Lewis: Just north of Sydney, two hundred miles north.

Huth: Still in Australia?

Lewis: Yes. I should have explained earlier that the Southwest Pacific Theater had base sections on the East Coast of Australia in Melbourne, Sydney, Brisbane, Townsville and an advanced base section in Port Moresby, from south to north. Brisbane was also the headquarters of the United States Army Services of Supply [USASOS] and General MacArthur's headquarters.

Huth: What were you doing there?

Lewis: I was base medical supply officer. But a few months later, in February 1944, I was promoted to the prestigious G-4 Office of the General Staff, USASOS, which was also stationed in Brisbane.

Huth: Same rank again--major?

Lewis: Yes.

Huth: What did you do there at USASOS?

Lewis: I was chief of the operations section of the supply and transportation division of G-4. My department's function was the coordination of requisitioning of supplies, chiefly from the U.S., and distribution in MacArthur's Southwest Pacific. My section included one officer from each branch of the army engineers: ordnance, signal, chemical, quartermaster, and transportation. I also handled medical material.

Huth: Do you know why you were picked?

Lewis: I have no idea. I think it might have been Bill Powers, whom I mentioned before--William Powers--who was on the general staff at that time. Another office suggested that they bring me in--I think. That's all I know about it. But it had the approval of the chief medical supply officer of the USASOS general staff, so I guess he agreed. In fact, there was another doctor on the general staff at a higher level. They usually don't place doctors on the general staff. Perhaps my experience was a factor. I know that my job performance had always been rated excellent and superior.

Huth: Because they were needed and not doing their medical work?

Lewis: That's right. He was assistant to the general himself. It was a step out of our usual field.

Huth: Anything else you'd like to say?

Lewis: In 1944 I accepted the USASOS offer to be S-4 in the planned first invasion of the large Philippine Island of Mindanao. S-4 is similar to G-4 for supply and transportation, but at the lower level commensurate with the size of the invasion force. It would have resulted in promotion to lieutenant colonel or full colonel. This was my second opportunity to go to the Philippines. However, it was cancelled and replaced by the Leyte invasion in 1945, which rated a G-4. I was told I could join the Leyte group or, having completed two and one-half years overseas, could rotate to the United States. I chose rotation home to my wife and two-year-old son whom I had never seen.

Recalling December 7, 1941

Huth: Do you remember where you were on December 7, 1941?

Lewis: I certainly do. My wife and I were driving from New York back to our home near Fort Hancock when the Pearl Harbor news came over the radio. Pearl Harbor meant a grim future. We didn't live on the post--we lived off the post in a house in a little community called Port-au-Peck, which we rented for thirty-five dollars a month. It had a tennis court, about an acre of land, and flowers all over. It was right on the ocean, and it was just wonderful.

Huth: Sounds like a resort!

Lewis: It was. It was near the Monmouth horse track. All of our family and friends used to come out on the weekends to spend time with us there. [laughs] It even had grapes from which we made wine. And wisteria--I remember the wisteria, just draped over the whole darn place. It was beautiful.

Well, why don't we call a halt here, and we'll rush through tomorrow's session--beginning at 9:30 a.m.?

Huth: Do you want to start up again then, tomorrow, and not do any more today?

Lewis: Right.

IV RESIDENCY IN SURGERY, PRIVATE PRACTICE, AND TEACHING IN NEW YORK CITY, 1946 TO 1954

[Interview 2: April 30, 1986]##

Huth: Dr. Lewis, I'd like to start today with your residency after the war. Did you think about what you would do while you were still in the army?

Lewis: Yes, I'd been thinking about it. I decided to continue in surgery.

Huth: And the location? Had you already thought about where you were going?

Lewis: Yes, back to New York City.

The Hospital for the Ruptured and Crippled

Huth: Had you picked a hospital, or did you have to be chosen by a hospital?

Lewis: Well, I went down to NYU from which I had graduated, and I spoke to one of the assistant deans. I thought I would like to get into residency at Bellevue Hospital where I had my medical education, but he wasn't very encouraging about that. I even went down in my uniform to try and impress him, because it had a lot of stripes on the sleeve. That didn't impress him, and he wasn't interested. So I hunted around elsewhere, and it was suggested that I go to the Hospital for the Ruptured and Crippled. I went there, was interviewed, and taken on for a year of residency. It was late in January 1946 and all residencies had been filled.

Huth: Was that the name of the hospital?

Lewis: The Hospital for the Ruptured and Crippled had been in existence for seventy-five years, at least. About ten years later it affiliated with Cornell medical school and New York Hospital. It was renamed Hospital for Special Surgery.

Huth: What can you tell me about your residency experiences in that hospital?

Lewis: Well, I really think I learned the basics of surgery there. Most of the surgery was hernia, but hernia really made clear the principles of operating on tissues, dissection of structures from each other, and wound healing. I became interested in the history of the institution. There were large volumes, about the same size as this [holds up a large book], containing all different types of hernia operations that had been done there, going back to the 1880s. The information there also reported post-operative stays in the hospital, many of which were two, three, and four weeks in bed, and certain peculiar things that were done, like putting on a body cast to retain the hernia repair.

Huth: Did you find any innovative things that were still being used when you were in practice--that had started much earlier?

Lewis: No. Most of the technical procedures were the same as in the 1940s. It was only in the fifties and sixties that several modifications were adopted. The hernia patients, when I was there, were admitted on Sunday, operated on on Monday, and discharged on Friday. There weren't any weekday admissions except for irreducible and strangulated hernias. My workload was light and thus afforded me time to study surgical textbooks and journals.

Huth: So you had much practice?

Lewis: Yes. It was a moderately busy practice.

Huth: Was this a public hospital?

Lewis: No, this was a private, non-profit hospital operated by the Society for the Ruptured and Crippled.

Huth: Did they tend to get patients requiring surgery from all over the city, or was it mainly set up to serve just one area?

Lewis: Primarily, cases came in because they were private patients of the doctors who were on the staff.

Huth: Were there a number of other doctors doing their residency there when you were there?

Lewis: No, I was the only one, but there were several orthopedic residents.

Huth: Did you benefit considerably from being the only one?

Lewis: Yes, I certainly did.

Huth: Do you know how they happened to allow you to be a resident there? Was it that they always liked to have at least one resident, or did they open it up to you especially?

Lewis: No, they always had a resident.

Huth: And you just happened to apply at the right time?

Lewis: Just at the right time. That's about it, I guess. A urologist who was on the attending staff sponsored me there. I don't remember his name.

Huth: Is there anything else you want to tell me about that particular hospital?

Lewis: No. Nothing else.

The Kingsbridge Veterans Administration Hospital

Huth: Then you moved on to a Veterans Administration hospital? Was that for more residency?

Lewis: Yes, that was continuation of residency. The work at the Ruptured and Crippled was helpful in easing me back into the practice of surgery after five years in the army.

Huth: To put this in perspective, you had been away from surgery because of your army duties. You worked in the medical supply area, so was this a way to get back into practice?

Lewis: Yes, right. Even when I came back from overseas I was assigned to the Medical Supply Depot in Binghamton, New York.

Huth: Was the Veterans Administration [VA] hospital in the Bronx area?

Lewis: Yes. It was called the Kingsbridge Veterans Administration Hospital. I spent two years there.

Huth: Do you have any special recollections about your two years there--that stand out?

Lewis: It was very productive. There was one surgeon, the VA attending surgeon, whose name I can't recall. His method of operating--was very much to my liking, so I tried to fashion my own technique after his. He operated speedily, knew the anatomy, and didn't chit-chat. Operate, go in, and get out! Once he was so fast that with one stroke of his scalpel he sliced through the abdominal wall and into the liver.

Huth: And did you follow that from then on?

Lewis: From that time on that was the way I always liked to work. It taught me that the liver was close to the skin.

Huth: Were there other residents at this hospital?

Lewis: Oh yes, yes. There were a whole slew of residents there.

Huth: Were there others in surgery?

Lewis: In general surgery, yes. There were four-year residency requirements for the American Board of Surgery. I only spent two years there. I received one year credit to the board for my army service, and another year for my year at Ruptured and Crippled. So I came into the third year residency, and I had to spend only two years at Kingsbridge. I got my accreditation for the American College of Surgeons by having my army service added as a year of training.

Huth: You mentioned the American College of Surgeons. Is that a requirement to become a surgeon--to be accredited?

Lewis: No, it's not a requirement, but it's one of those things that labels one a qualified surgeon. I had to report fifty major surgery cases in great detail.

Huth: That means certification. Is that like board certification?

Lewis: No. The boards are another certification. For that, I had to take examinations, oral and written examinations.

Huth: And that came after the residency?

Lewis: Yes.

Lewis: I became a Fellow of the American College of Surgeons [FACS] in 1950 and was certified by the American Board of Surgery in 1951.

Huth: As to your patients in the Veterans Administration hospital--were they mainly returning veterans from World War II, or--who were your patients?

Lewis: They were a mixture of elderly World War I and younger World War II veterans.

Huth: So you had a very broad exposure to surgery there. How about friends there--did you make any friends that were your friends later on?

Lewis: No. I guess we all went our separate ways afterwards.

Huth: Was your family there--were you living at home? In the residency, do physicians tend to be living in the hospital itself? I want to get a picture of what it was like.

Lewis: When I was on call I stayed in the hospital, but otherwise I went home to Great Neck, Long Island, in Nassau County.

Surgery Practice, Teaching, and Workmen's Compensation

Huth: Did you go on from the VA hospital to teaching?

Lewis: One of the attending surgeons of the VA hospital was Dr. Fred Bancroft, one of the Bancroft family.

Huth: Do you mean of the family for which The Bancroft Library at the University of California at Berkeley was named?

Lewis: Yes. He asked me to join him in his office and I accepted gratefully.

Huth: And was that a fee-for-service practice?

Lewis: That was fee-for-service, yes. I assisted him with his surgery. There were some cases that he turned over to me because he didn't want to handle them--esophageal surgery, which he turned over to me. I made rounds for him when he was unavailable, which was not infrequent because he was active in a variety of medical and surgical societies.

Huth: Did you belong to a number of societies too?

Lewis: Yes, the county medical society, the state medical society, the American Medical Association, the American College of Surgeons Committee on Trauma, and the county medical society's committee on workmen's compensation.

Huth: Was that while you were working with him?

Lewis: Yes. I got interested in workmen's compensation. It is a kind of ultimate example of prepay or socialized medicine, where the insurance companies pay for everything, and a patient gets treated and has no financial concerns.

Huth: Dr. Sidney Garfield started very early doing industrial medicine also.

Lewis: Yes, he was doing that. I read about what he was doing. That was interesting. At first, he wasn't getting much occupational medicine there because they were sending it out--

Huth: That's right, they sent it to Los Angeles.*

Lewis: Yes, to Los Angeles. He recognized the stupidity of the situation when he was on the spot ready and able to handle the workers' ailments. He convinced Kaiser Industries to permit him to do the doctoring.

Garfield also contracted with the families of the employees who lived there into another health plan for non-occupational diseases. I think the plan called for a fifty cents per week fee and a low level of charges for actual medical services. In essence it was prepay medicine as we know it today.

Huth: Was your approach at that time to learn about it, to study and look into it?

Lewis: Yes, I had treated workmen's compensation cases and communicated with company doctors. I looked into this form of practice and decided to get into this field. I was on the attending staff at Knickerboker Hospital located at 135th Street in Manhattan. An industrial area existed nearby at 125th Street. I set up a workmen's compensation plan and made contact with the employers. Knickerbocker Hospital agreed to do the laboratory and xray work at a reduced rate and provide me with an office. This would reduce travel time to and from the workplace--from my office with Dr. Bancroft at Ninety-second Street. Hospitalization, when necessary, would be at Knickerbocker. Everybody was happy.

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*This is a reference to Dr. Garfield's earliest health plan for Kaiser Industries' workers at his Desert Center clinic in the Mojave Desert in the mid-1930s.

Huth: How did that work out?

Lewis: It worked out fine, except that at about the time that I had it all organized I left New York.

Huth: All right, so we've jumped ahead a little bit with this.

Lewis: You asked the question!

Huth: I know, that's right. Can we go back now to your teaching? We didn't mention anything about that, and you had hospital privileges in a number of New York hospitals at that time--five or six, I believe. Will you please tell me about the kinds of cases you handled at those hospitals?

Lewis: Yes. One of the places that I had privileges was City Hospital in New York on Welfare Island in the East River. The island got its name from a chronic disease hospital for indigent people that was located there. City Hospital was also on the island, serving the indigent and emergency cases occurring on Manhattan, which is also an island. A bridge ran between Manhattan and Queens boroughs and was supported by towers on the island. Car elevators and people elevators ran in the towers. Buses on the island carried people to the hospitals.

Huth: So you must have had a variety of cases in a hospital like that.

Lewis: Yes. We had all kinds of surgery and a large volume of broken bones, head injuries, bullet wounds, knife wounds, etcetera. I had one unusual case that I shall never forget. It is very rare. I published it and a review of the literature. It was a leiomyoma of the esophagus, a benign smooth muscle tumor in the esophageal wall. Shelling it out without cutting out the involved portion of the esophagus was a thrill.

Dr. Bancroft introduced me to Dr. Preston Wade, who was chief of one of the general surgery divisions at City Hospital and arranged an appointment to his service. When he could not attend rounds I was acting chief. Dr. Bancroft had been president of the American College of Surgeons before I joined him. Dr. Wade became president several years after I left New York. Both were prominent New York City surgeons and active in medical affairs. I owe my affiliation with Kaiser Permanente to Dr. Wade. He introduced me to Dr. Walsh McDermott, who was consultant to the Indian Health Service [IHS] tuberculosis program on the Navajo Indian Reservation in Arizona. I believe the IHS wanted Cornell University Medical School of New York Hospital to assume complete medical care of the Navajos. Dr. McDermott interviewed me for the surgery department. I took the position in 1954, then passed on to Kaiser Permanente via fee-for-service practice in San Mateo and prepay group practice in San Diego Health Association.

Lewis: Sorry, I got sidetracked. I couldn't help but remember this important chain of events in my life and that of my family.

Huth: To move on, what were some of the other hospitals where you had privileges?

Lewis: Dr. Bancroft was also on the Flower-Fifth Avenue Hospital staff and the New York Medical College faculty.

Huth: Since that's Fifth Avenue that must have been an entirely different kind of patient.

Lewis: That was a private hospital. It was also the hospital used by the New York Medical College. Dr. Winfield was chief of surgery at the hospital and professor of surgery at the college. At Dr. Bancroft's recommendation he put me on the visiting staff of the hospital, and in the surgical department of the medical school.

Huth: And were these things concurrent? Was it one time in one hospital and one time in another? Or were you doing all of this at the same time?

Lewis: These were all concurrent. I was traveling half the length of Manhattan. I lived out on Long Island. It wasn't too bad a drive--about thirty minutes altogether--but then getting around to the hospitals in Manhattan was a problem. I was on staff at Booth Memorial Hospital, which was in lower Manhattan. The stretch was from 15th Street, where Booth Memorial was located, to 103rd Street, where the New York Medical College was located. Bancroft's office and mine were on 92nd Street.

Huth: So you were all over Manhattan?

Lewis: Oh, yes. The Knickerbocker Hospital, where I was also on the staff, was on 135th Street. Manhattan Island extends from two to three miles south of 1st Street to 215 Street at its north end and is about one and one-half to two miles at its greatest width. I knew Manhattan intimately.

Huth: How were you getting around? Did you drive?

Lewis: I drove.

Huth: And wasn't Booth Memorial a Salvation Army hospital?

Lewis: Yes, a Salvation Army hospital for unwed pregnant girls.

Huth: Not much surgery then?

Lewis: Very little, if any. It was my probono duty.

Huth: When you did do the surgery, what type was it?

Lewis: I don't remember that I did any surgery. It was exclusively consultative, I believe.

I also had privileges at Doctor's Hospital, which was on East River Drive and 86th Street. It was only for private patients. It had no house staff. Most of my patients went to Doctor's, Flower-Fifth Avenue, and Knickerbocker hospitals.

Doctor's Hospital and Flower-Fifth Avenue Hospital were close to each other and Knickerbocker was not far away. There was no remuneration for working at Booth Memorial, and no remuneration for working at City Hospital.

Huth: Was that customary for most doctors to do that, to have their practice and their patients who were paying patients, and then to also do the nonpaying work, and did almost all doctors do it?

Lewis: Yes, I think so. All surgeons learn something every day. A wide variety of surgical conditions are at welfare type hospitals--a variety of conditions that are not to be seen elsewhere--City Hospital had a large volume of trauma patients day and night.

Huth: During that time did you make any special friends that were your friends later on? How about Dr. Bancroft?

Lewis: Dr. Bancroft and Dr. Wade were both friends.

Huth: Are they still living?

Lewis: No, both have passed away. Years later I came back to New York, and Dr. Bancroft was hospitalized at that time. I came back for a medical meeting. I visited him in the hospital, and that was the last time I saw him. That was probably in the early 1960s. But we communicated and were friendly--his wife, my wife--and when we came here [San Diego], we visited his wife's niece and family living here in La Jolla. Mrs. Bancroft told her niece about us, and we were friendly with them. So we knew what was happening to Fred Bancroft and to his wife, who outlived him by about seven years.

Research, Writing, and Publication

Huth: What can you tell me about the papers you wrote and published?

Lewis: I published a paper with Dr. Bradley Coley titled "Filiarial Funiculitis," which appeared in the American Journal of Surgery in the late 1940s. How it came about is of some interest, and I would like to relate it.

Huth: Yes. That will be good to include that story.

Lewis: I assisted Dr. Coley with surgery on a Puerto Rican patient for an inguinal hernia at the Hospital for the Ruptured and Crippled. The spermatic cord that accompanies the hernia sac was about fifteen times normal size and of unusual color. The pathologist reported it to be a filiarial infection blocking the lymphatic vessels in the cord, a very unusual disease found only in the tropics. It results in enormous enlargement of the lower limb and scrotum with retained fluid. The clinical condition is termed elephantiasis. I remember a photo in a medical textbook of a man walking with an enormous scrotum in a wheelbarrow. I told Dr. Coley that in light of American soldiers who served in the tropics, including myself, a report of his case would be worthwhile. He agreed and asked me to write it, which I did. I had no trouble publishing it. Dr. Coley was associate editor of the American Journal of Surgery.

Huth: Do you have more to tell me about your medical writing?

Lewis: I have already mentioned the case report and review of the literature about leiomyoma of the esophagus which was published in the journal: Surgery, Gynecology and Obstetics. I also had a paper with Dr. Joseph Felsen, a pathologist at Bronx Hospital, titled, "Acute Segmental Appendictis." I think it appeared in Archives of Surgery and was exhibited at an American Medical Association meeting in St. Louis in the late 1930s. Finally, Bancroft and Lewis contributed a chapter titled, "Preventive Aspects of Abdominal Surgery" to a book, The Prevention of Disease in Everyday Practice.

Huth: Did you write that one?

Lewis: Most of it. Dr. Bancroft told me some of the aspects he wanted included. I quit writing thereafter because it took up too much of my time, and I was occupied wandering from New York to California.

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Lewis: However, I felt very successful with the workmen's compensation and occupational medicine. I revitalized it in Kaiser Permanente, San Diego, and I thought it was of sufficient importance to KP to warrant reporting it. I presented my paper at an annual Group Health Institute meeting of the Group Health Association of America, and it was published in the proceedings in 1978.

Huth: We haven't said anything about your teaching at the medical schools. Was that about the same time that you were working at all of those hospitals. Am I right that the time period for this segment was 1949 to 1956?

Lewis: It was 1949 to 1954 in New York, and 1954 to 1956 in Arizona--without teaching.

New York Medical College, 1949-1954

Huth: The first place was New York Medical College where you were an associate in the Department of Surgery from 1949 to 1954. What can you tell me about that?

Lewis: It was a course in wound healing for second year medical students. Dr. Bancroft had initiated and taught that course for many years. He turned it over to Dr. Margaret Stanley-Brown and then it was passed on to me with the approval of Dr. Winfield, the chairman of the Department of Surgery.

Huth: Was it for research or teaching purposes?

Lewis: Just for teaching the dynamics of inflammation and wound healing, biologically and anatomically. We had an excellent study book by Valery Menkin, I think. I myself learned a great deal from that book, which influenced my methods of preoperative preparation, postoperative recovery, and fracture treatment. The students studied microscopic slides showing the stages of wound healing in different body tissues. The femur of a rabbit was broken under anesthesia, splinted, and wound healing followed for three or four months. Soft tissue wounds were made and sutured and followed 'til healed. Sometimes infections occurred, and that gave the students the opportunity to observe the nature of the inflammatory reaction, grossly and microscopically.

Huth: At that time were they using antibiotics as part of wound healing?

Lewis: Yes, but it was not used in this course.

Huth: At the same time you were teaching at New York Medical College were you also an instructor in surgery at Cornell?

Lewis: No. Cornell followed after I resigned from New York Medical to work for Cornell in contract with the Bureau of Indian Affairs on a project on a Navajo Indian reservation in Arizona.

Huth: And Cornell is located where?

Lewis: The Cornell University Medical School is located at the New York Hospital on the east side of Manhattan at about 65th Street.

Huth: Was that the time period from 1954 to 1956?

Lewis: Yes.

Huth: How did you get involved?

Lewis: Dr. Wade told me Dr. McDermott, who was tuberculosis consultant to the Bureau of Indian Affairs [BIA] on the reservation, was trying to set up a full-scale Cornell health program at the request of the BIA, starting with a surgeon. He wanted to know if I would be interested. I told him yes, but my answer was "No." That evening I told my wife what had been offered and that I turned it down. To my surprise she said, "Why not go?" That was the beginning of a tremendous Navajo experience for me, my wife, and our three young sons ages twelve, eight, and seven.

Western Travel, 1937 and 1939

Lewis: I had spent two summers in Jackson Hole, Wyoming, having driven by car both times from New York through magnificent scenery and scenic wonders. I knew I would be going back some year, perhaps to stay, but I didn't expect that year to be 1954.

Huth: Were your two trips to Wyoming vacations?

Lewis: In 1937 I had a job as a doctor (just out of medical school) with a dude ranch camp for boys and girls ages twelve to sixteen, operated by a young married couple who were public school teachers.

Huth: Was that the first time you'd been West?

Lewis: Yes.

Huth: Was that in the Big Sky country?

Lewis: That is Montana or Idaho. But this was Big Sky country in Wyoming, some forty or fifty miles south of Yellowstone National Park.

Jackson Hole Valley, at an elevation of seven thousand feet, was where fur trappers rendezvoused annually in the early 1800s. The peaks of the Teton Mountains rise abruptly on the west to fourteen thousand feet, and on the east to the thirteen thousand plus feet Wind River Range. The Grand Teton Mountain is over fourteen thousand feet high and, with some of the others in the range, is snow-capped even in the summer.

Huth: Did you have time while you were there to travel around and see a lot of the country?

Lewis: We went to Yellowstone to see the geysers, the grizzly bears being fed in the garbage enclosure, Yellowstone falls, a black basalt outcropping, and other natural wonders. We climbed the Grand Teton Mountain to ten thousand feet where there was a glacial lake behind a moraine. We boated the Snake River, just a few hundred yards from our cabins on the Triangle X Ranch where we lived. We rode our horses along the Snake River and up into the Wind River Mountains where we saw meadows filled with wildflowers and forests with moose and deer.

Huth: Had you been horseback riding before that?

Lewis: I had a picture taken on a pony when I was a child.

Huth: That's the extent of it? So you had to learn to ride?

Lewis: The horse had a western saddle, which has a horn to which I held on to when in doubt. The horses were trudgers, not gallopers. At seven to ten thousand feet they don't have much energy.

Huth: What was the nearest town to the ranch?

Lewis: The nearest and only town was Jackson. The town had perhaps a population of one thousand, one physician, and a small hospital. Jackson was a rip-roaring town on Saturday night when ranch cowboys came to town. There were numerous saloons and wide-open gambling. Shootings and stabbings were not uncommon. It kept the doctor busy.

Huth: You weren't doing any of that kind of work?

Lewis: No. The kids were lucky. Nobody required the town doctor's attention. They got aspirins for aches, bandaids and ointment for cuts and bruises, and elastic bandages for sprains. I had a suturing set of instruments and supplies, but I can't recall having to use it. At the summer's end everybody rode home happy and intact.

Huth: But you remembered the West and went back again in 1939?

Lewis: Yes. This time it was a more leisurely travel trip of lesser duration than in 1937, and a different route.

Huth: Did you stay at the dude ranch then?

Lewis: No. I spent more time in Jackson and Yellowstone and Montana and Idaho. I stayed in motels.

Huth: In those days, I guess the roads in those areas were pretty rugged.

Lewis: Off the main highways they were.

V SURGEON FOR THE CORNELL NAVAJO PROJECT IN ARIZONA, 1954 TO 1956

Huth: What can you tell me about the experience with the Cornell University Navajo Project? You moved your family to Arizona. Does that mean that you put things in storage, or did you keep your house?

Lewis: No, we had no intention to come back to New York again. It was getting difficult to travel in and out of Manhattan. Traffic was getting heavy. I spent three or four hours a day in traveling between hospitals and to and from home in Great Neck, which is no way to practice medicine.

Huth: So you often didn't get much sleep due to the traveling and transportation problems?

Lewis: Yes. We might go out to the theatre or socialize and I might get pulled away for patients in the city.

Huth: You were really on call at all times, then?

Lewis: Well, with several hospitals going, and sometimes two at one time, and being on call--it was difficult. But when getting started you have to do all of those things to build up a new practice.

Huth: So before you went to the Navajo reservation, did you close up everything and get ready to leave the city?

Lewis: Yes.

Huth: And you packaged up all of your belongings?

Lewis: Yes. In the contract between me, the Bureau of Indian Affairs, and the Navajos and Cornell, Cornell would be the project manager and would pay me a salary. Also, the cost of transportation to and from the reservation would be reimbursed to me. So I saw this golden opportunity to practice out West somewhere.

Huth: Because your transportation would be paid from the reservation to wherever you picked?

Lewis: That's right. And they paid. And we had a big housefull! All of our furniture, including a piano, everything, enormous--all the stuff we had accumulated for the five of us.

Huth: What money source was paying for this?

Lewis: The Bureau of Indian Affairs. The reservation was located in Arizona.

Huth: And was it near New Mexico?

Lewis: The Navajo headquarters and hospital were in Arizona. A small area of the reservation spilled over into New Mexico.

Huth: How did your family feel about that move? You told me how your wife said that she thought it would be great to do that. Once you got things packed up and ready to leave, what about the children?

Lewis: The children didn't seem to mind it very much.

Huth: And you moved to a place that had good schools?

Lewis: Yes. We checked that out first. We were given the best house in Fort Defiance, across the street from the hospital. Our sons attended the Indian schools on the reservation, also in Fort Defiance.

Huth: What did you do once you arrived there? What were your duties?

Lewis: Well, I was the surgeon there.

Huth: Was there a clinic or a hospital there?

Lewis: Yes, there was an acute hospital opposite our house and a tuberculosis sanitarium next to us. I had nothing to do with the sanitarium except for an occasional minor problem. The sanitarium had a TB specialist in charge, Dr. Avrum Organik, a very fine and conscientious person. He married a Navajo girl in a Navajo ceremonial. My wife held a reception for them at our home.

Huth: Were you the only surgeon?

Lewis: Yes. There was another hospital, a Presbyterian mission hospital in Ganado, forty miles west. Occasionally, I would go there and help the surgeon when he needed some help, and he would come to help me if

Lewis: I needed help. Most of my surgery was with a nurse assistant. The Navajos had a small hospital two hundred miles away at Tuba City on the western end of the reservation where they had a doctor who was doing medicine and minor surgery, and referring major surgery to Flagstaff about eighty miles south. Occasionally I would go out there to look around or in consultation. And as a backup for orthopedics and ear-nose-throat, we had the Lovelace Clinic in Albuquerque. Its doctors would come to our hospital to do ear, nose and throat surgery, of which there were a great number of cases, or we would transfer patients to their hospital by plane.

Huth: Was there more of that to do than you would ordinarily have?

Lewis: Yes.

Huth: Was it because of the location, something in the location, or health habits?

Lewis: It was the health habits and location of their hogans (homes), far away from medical care on the vast reservation. Many of them live in isolation. Many also have a well-deserved mistrust of the Bureau of Indian Affairs [BIA].

Huth: So they were scattered all throughout?

Lewis: The densest concentration of population existed in the Fort Defiance area. Occasionally, the BIA physician at the Hopi reservation hospital at Keams Canyon, about a hundred miles west of Fort Defiance, would send me patients with ailments for surgical treatment. There was one time I went there to operate. He called me and said he had just delivered a Hopi woman and intestines were protruding through the vagina. I rushed there with my nurse and instruments, picking up the doctor at Ganado Mission Hospital on the way--to give anesthesia. We did a hysterectomy without blood transfusion and the woman made an uneventful recovery.

Huth: That is quite a story.

Do you think your sons learned something that they carried with them from then on into their later lives--that they recall and remember?

Lewis: The Navajo interlude left its mark on them. They attended the same schools as the Navajos, went to their homes and the Navajos came to ours, and they made several special friends. The natural grandeur of the Navajo lands and all the surrounding natural parks and monuments and the Indian ruins we visited--all too numerous to describe--had an impact upon them that still exists today.

Huth: Were there sufficient support services, like nursing and other needed services?

Lewis: When is there ever enough? The personnel, both Navajo and white, were competent and hard working.

Looking Back at Canyon de Chelly and Navajo Medicine

Huth: Is there anything else to tell me about your experiences in Navajo land?

Lewis: There is much too much to tell. It would need a book containing many photos to tell it.

Huth: Any particular story, though? Something that impressed you especially?

Lewis: Let me think out loud about the places we saw and then I can pick which was most impressive. On the reservation there was Window Rock, the capitol of the Navajo nation; Navajo burial grounds under snow; Four Corners, the Hubbell Trading Post Historical Site near the Ganado Mission, Hopi villages on top of mesas occupied uninterruptedly for thirteen hundred years, Monument Valley, dinosaur tracks, Indian ruins, Canyon de Chelly (pronounced de Shay). That's it. Canyon de Chelly National Monument impressed all of us the most. It is located about one hundred miles northwest of Fort Defiance by highway, but can be reached by some thirty-five miles of abandoned wagon track--which my twelve-year old son Malcolm and I followed one Sunday morning through patches of forest mist.

Huth: Yes, I've heard about it, but I haven't been there.

Lewis: Listing all those places brings to mind many places we saw and things we did on and off the reservation, but that has nothing to do with SDHA history and KP.

You did ask for something that impressed me. So I shall relate a bit about Canyon de Chelly when all five of us went there. My wife and younger two sons joined me a few months later after remaining in Great Neck to sell our house. It was a deep sandstone canyon with vertical walls about one thousand feet below the canyon rim. In the lower wall, on the far side opposite, could be seen the white wall ruins. We noticed a foot trail that appeared to be going down. We followed it to the canyon floor, crossed a stream and walked right up to the "White House" ruins, as it was known.

Lewis: It had been inhabited for several hundred years. It was a fertile valley and a safe haven against other Indians. Kit Carson had been sent to round them up and move them, on what they came to call their "Long March," to Oklahoma or Kansas. The canyon has three branch canyons. Many Navajos who resisted in one branch were killed and the branch came to be called Canyon del Muerte. The beauty of the canyon, the history, the isolation, and the sense of centuries of time remains with us all.

Huth: Was the surgery different from what you saw in New York?

Lewis: I had heard that the Navajos never had cancer. However, I operated for cancer of the rectum, breast, gall bladder, thyroid, radical neck dissection for reticulum cell sarcoma, and chest wall resection for unknown metestatic carcinoma to a rib. Gall bladder disease was very common. Congenital hip dislocation was another affliction. There was also a high incidence of acromio-clavicular separation, that is the capsule binding the collar bone to the upper end of the spine of the shoulder blade (scapula).

Most families owned pickup trucks and often carried people in the open portion behind the cab. These vehicles often overturned because of reckless driving habits, with or without alcoholism, and the passengers often landed on the outer end of the shoulder. One young man with a displaced fracture of fibia and fibula was so drunk that I reduced and immobilized the lower limb in a cast without anesthesia. Another individual came in with a leg cast with the sole and heel completely gone. He explained that he had been told to return in six weeks, but he lived far away on the reservation and couldn't get transportation for almost a year. I have two more stories I can tell.

Huth: Go ahead. We would like to know more about the Indian experience.

Lewis: I remember one very ancient Navajo man who had been hospitalized that very morning. I happened to be in the room with another patient just as lunch was being served. The cutlery of knives and other utensils clattered loudly. He began to scream, became agitated and covered his head with bed clothes. I asked the nurse what was troubling him. She explained that he was afraid that the knives were to be used to cut him up.

Huth: So that was solved.

Lewis: The Indian's problem was solved, but I myself had a problem. The operating room had a three row gallery, which I presumed was for visiting doctors to watch an operation. Well, when I came into the

Lewis: operating room for my first operation, I found the gallery filled with Navajos and, as the operator, my back would be turned to them. My first thought was "Wild Indians" will attack me if the patient dies. The nurse explained to me that when a Navajo is sick the person's entire family and relatives show their concern and solidarity with the patient by coming to the medicine man's sing or the white man's operation. Both the patient and I survived the operation, which was probably a cholecystectomy.

I was also told that after hospitalization a sing would be held at the patient's home, attended by his extended family. The principle of the sing, as well as of life itself, is to be in tune with nature. It was psychologic therapy, explained to me by medicine man, Scott Preston. At my request he gave our medical staff a lecture on Indian medicine--in English. The gist of his talk was that he could set bones and he used herbs and sand paintings, but the patient's belief in the need to be in tune with nature was very significant.

Huth: But did it work psychologically?

Lewis: No matter what religion, for true believers, as most of the older people were, it worked or at least made them feel satisfied.

Huth: How did the doctors receive Scott Preston's talk?

Lewis: It was well received. The doctors knew about the sing and medicine men, but this was the first time they heard it from a medicine man. I enticed guest lecturers, about eight of them, from medical schools as far away as Kansas. I wrote to the medical schools explaining our situation and location, that we couldn't give them a gratuity, but promising I would guide them through the reservation.

Huth: Was that a good inducement? I would guess that it was.

Lewis: Many prominent physicians accepted my proposal, so every month we had an interesting staff meeting. Scott Preston attended one meeting. One of the speakers was from the University of California at San Francisco.

The Cornell Connection Cutoff

Lewis: The Navajos were always unhappy with the health services provided by the Bureau of Indian Affairs. There was a constant turnover of doctors yearly, imposed on a constant shortage. Rigid BIA rules ruled the agency.

Huth: They went by the rules to the letter?

Lewis: The rules didn't fit the situations which existed. Medical care came second. It was bureaucracy at its worst. My wife and I and other whites attended Indian meetings and signed their petitions. I heard from the BIA administrator for the reservation health. No question--I was persona-non-grata.

Huth: Because you were rocking the boat?

Lewis: Yes. But there was something else going on because they didn't want Cornell either. I heard a rumor that an Indian hospital and medical center would be built in Gallup, New Mexico to replace the Fort Defiance facility. That would make the Gallup merchants, who tolerated the Indians for their patronage, very happy to have the hospital.

Huth: Was a Gallup hospital built?

Lewis: Yes, several years later.

Huth: So then did the Indians have adequate care?

Lewis: I don't know. We toured Navajo lands some fifteen years later, but we didn't visit the hospital nor speak with any Navajos.

Huth: You said that you were planning not to go back to New York. During your two years on the reservation were you thinking where you would go to practice afterwards?

Lewis: I thought of Flagstaff, Arizona, which is about eighty miles south of Tuba City where there was an Indian hospital where I could provide my services. However, after my show of antipathy to BIA I was sure they would not want me. We considered all of the western states and picked California--in or near a large city and close to open country.

When we departed the reservation, our Navajo friends gave us a Navajo rug and wall carpet of a sand painting, in striking color. Let me show them to you in my study.

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Huth: I'd like to see it. [Dr. Lewis shows the gifts]

Lewis: I must tell you. When we were on the reservation we bought in Santa Fe, New Mexico, a rare book for fifty dollars, which we treasure. It is a limited edition of a large volume of colored sand paintings and accompanying legend titled, Navajo Medicine Man, published in 1939. Incidentally, because of the diminishing number of medicine men to train new medicine men, the federal government established a school for training new ones on the reservation--in the early 1970s.

Prospects for a California Practice

Huth: But you'd never been to California?

Lewis: No, we'd never been.

Huth: Your wife also?

Lewis: No, she had never been.

I didn't have to take a written exam for my license to practice medicine here--just an oral exam and interview.

Huth: Did you get your license before you made the move?

Lewis: Yes.

Huth: While you were still on the reservation--did you have to take a trip to do that?

Lewis: Yes. It was all prearranged in San Francisco.

Huth: But the license was required in order to practice?

Lewis: Yes. And the San Francisco Bay Area is where we moved with all of our furniture.

Huth: How did you happen to pick where you went in California? Did you have several choices?

Lewis: My wife and I came by train from Gallup and drove from San Diego to San Francisco. We came here [San Diego] in the heat of summer, and said, "This is just too hot."

Huth: You came down to this part--actually to San Diego?

Lewis: Yes, we came through here. We went up the coast. Two of my classmates practiced in Los Angeles but it was overcrowded. In between Los Angeles and San Francisco there was not much population density. There was a surgeon in San Luis Obispo whom I knew, who had been a surgical resident at Flower-Fifth Avenue Hospital. But the town didn't appeal to us.

Huth: You could have gone to San Luis Obispo?

Lewis: Well, it was a place we considered. But then we ended up in San Mateo because we liked San Francisco very much.

Huth: Did you have any special friends there then?

Lewis: Nobody.

Huth: When you pick a place like that, how do you find a place to practice medicine? How do you go about it?

Lewis: You go down to the local medical society, and find out what the situation is. And they said, "Sure, fine, come on in and practice."

Huth: So it's just a matter of setting up your business?

Lewis: Well, one of our criterions was to settle in a civilized location and worry about the practice later. The best way is to be accepted by an established group which has an established patient clientele. I could not find an opening in a group so I went solo and found it wasn't the way to go when you get into a place that's very competitive.

Huth: Would San Mateo be such a place?

Lewis: Very competitive, as I found out.

Huth: Now, did you pick San Mateo before you had moved all of your things? You weren't moving around with everything, were you? You took a trip before it was time for you to leave the Navajo reservation?

Lewis: Yes. We knew we were going to San Mateo before--yes.

Huth: Before we leave the Indian reservation discussion, is there anything else that we maybe should include about that time period?

Lewis: Well, it was a good place for the boys to be--growing up with the Indians. They were friends and not enemies.

Huth: What about for your wife?

Lewis: She became active in affairs there too. With an Indian and Anglo friend she helped start an English language, ethnic directed newspaper for the Navajos. She had some newspaper experience and was a comparative language major in Columbia University graduate school.

Huth: Did that work out?

Lewis: Up to the point when she left--yes, it was going.

Huth: But you don't know what happened to it?

Lewis: I don't know.

VI SAN MATEO SURGICAL PRACTICE, 1956 TO 1958

Huth: Now, please tell me about the move to San Mateo. What was that move like?

Lewis: Well, I practiced there for just about two years.

Huth: That was 1956 that you made that move?

Lewis: Yes.

Huth: Was it in the middle of the year?

Lewis: I think it was around July or August. And we spent about a month or so looking around to decide exactly where to locate.

Huth: Did you rent a house then?

Lewis: No. We bought a house.

Huth: How did that month of looking work out? What happened?

Lewis: Well, it looked as if it would work out. I could get privileges in the hospitals--temporary privileges under surveillance by a surgeon monitor, until they saw what kind of work I did.

Huth: Where did your patients come from; how did you get your patients?

Lewis: I moved into an office where there were other doctors in an office building.

Huth: It wasn't a group practice?

Lewis: No, it wasn't. It was all fee-for-service. So some patients came from them. The rest I had to try to drum up myself from doctors in my office buildings--I had two offices. I also took emergency room night calls at one of the hospitals.

Huth: Do you remember which hospital?

Lewis: It was Peninsula Hospital, a new one, and Mills Hospital was a very old established hospital that had been there for a long time.

Huth: That was also one of the hospitals you practiced in?

Lewis: Yes. The other was Peninsula Hospital. There was a group of doctors which owned or controlled that Peninsula Hospital. I think it was a private hospital. Mills was a community-type hospital where I got to do a little assisting occasionally, so that helped to bring in a little money.

The Stalled Occupational Medicine Clinic, and Rejection of a Permanente Medical Post

Lewis: It was very hard to break in, so I decided to start an occupational medical group.

Huth: Was that something no one else was doing?

Lewis: Others were doing it, and they had it pretty well tied up. The doctors who were running this group in Peninsula Hospital had tied up not only the airlines but most of the big companies in the South San Francisco industrial area. But there was still a lot of other small size industry around.

I linked up with a general practitioner in South San Francisco who had an office there. South San Francisco was practically the center of the surrounding industrial area. He was willing to go ahead with it, and we would use his office, and he would handle the cases that weren't surgical. I would handle the others.

It turns out that the doctors in the Peninsula group were very hardnosed. They had more practice than they could get along with. When they found out that this doctor in South San Francisco was going to go into occupational medicine with me they told him--he told me that they told him--they would take away his hospital privileges at Peninsula.

Huth: That was too much competition for them?

Lewis: Too much competition! Anything was too much competition.

Huth: So what they wanted was just the whole area for themselves?

Lewis: Everything that they could get and could hold onto.

Huth: Do you want to give me the name of this doctor in South San Francisco?

Lewis: Dr. Donald Julian.

Huth: So did that stop everything?

Lewis: Yes. It made it impossible--see, my offices were further down on the Peninsula. I felt that if I was going to run a workmen's comp clinic, I should have it close to where the injuries and illnesses are likely to arise. And that's where Julian's office was. So by this time our funds were running kind of low, and that's when I decided that we had to have some steady source of income.

Huth: So what did you do?

Lewis: I started looking around for a group in which I could work immediately, and not have to build up a practice. I looked around in San Mateo, and there were no groups that had any openings--or they didn't want me--whichever it was. There was one group that kind of intimated that there would be some splitting of fees, in which I wasn't interested. I had thought of Kaiser Permanente.

Huth: Did you actually consult anybody at Kaiser Permanente, then?

Lewis: Yes, and it was a possibility. I think they were interested, too. This was in the San Francisco hospital. But then I also got in contact with the San Diego Health Association, and I decided to go with them, even though it meant making another big move.

Huth: There must have been some particular reason why, since you'd been down here and decided you didn't like the heat.

Lewis: Well, I didn't know about SDHA at that time.

Huth: You told me the heat of the summer was unpleasant. There must have been something about it that appealed to you over Kaiser, over the other things you could have done.

Lewis: San Diego was wide open at that time, and it wasn't overpopulated. My feeling has always been for a less populated area near a big city.

Huth: Would the year have been 1957?

Lewis: It was 1958 that I came here . I was in San Mateo in '56 and '57.

Huth: And so then you had to make the move, and you knew about it in late 1957?

Lewis: That's right. I came down here in January of '58. My family moved to San Diego in September, after my wife sold our San Mateo home.

It seemed to be a small group--it was a small group. It seemed to be something that was developing. Kaiser was still, at that time, too large for me. I have no regrets.

Huth: In 1958 it was just beginning to grow considerably. That was their rapid growth period.

Lewis: That's right. But the Kaiser Permanente facility in San Francisco was a big hospital. It had a lot of doctors. I didn't want to get lost in a big shuffle. Also, there had been a lot of adverse comment about Kaiser. And I had been in the South San Francisco Kaiser Hospital, and it seemed to be a dreary place.

Huth: Did you actually look at the San Francisco hospital? Did you take a tour of it?

Lewis: Yes, I did. I don't remember a lot about it, except that it was overcrowded with people.

Huth: And there was the bigness.

VII GROUP PRACTICE WITH THE SAN DIEGO HEALTH ASSOCIATION, 1958 TO 1967

Huth: Do you remember whom you talked to in SDHA when you went down to check on it?

Lewis: Yes, the chief of staff at that time, Dr. Harold Leader and Ralph Byrnes, the business manager.

Huth: Were you interviewed only by surgeons?

Lewis: There was only one surgeon on staff, and he was leaving for private practice in Chula Vista, about ten miles south of San Diego. His name was James Rule. I interviewed him.

Huth: Did every staff member interview you?

Lewis: Several of them did.

Huth: What kinds of services were represented in that group.

Lewis: Obstetrics and gynecology, pediatrics, internal medicine, general practice, urology, ear-nose and throat, and radiology. They had a lab and physical therapy services. A number of doctors in the community, which had an aversion to San Diego Health Association [SDHA], provided consultative and therapeutic services, such as, but not limited to, orthopedics, dermatology, peripheral vascular, and pathology. The San Diego County Medical Society ostracized and fought in the courts against what it depicted as unethical and competitive and socialistic. Obviously, the consultants were not of that mind-set.

Huth: Now, to set the time when you have just decided to come to San Diego. What did your wife think about your move to San Diego? Did you make the decision together?

Lewis: "Whither thou goest I goest, and so do the children," characterized her decision. She loved the cultural environment of San Francisco. In San Mateo, where we lived, she organized a local League of Women Voters and was active in school affairs.

Huth: And your children?

Lewis: They were settled in school in San Mateo. They didn't grumble about moving again, but certainly it wasn't the best for them--from the East Coast to Arizona to San Mateo to San Diego in four years.

Huth: Did you rent or did you immediately buy a house?

Lewis: I came to San Diego and lived in a hotel for two reasons. I wanted to be sure that the SDHA way would be my way and to sell our house before everybody came here. In six months we were united in a home we bought in the Grossmont-Mt. Helix area, just east of La Mesa--and here we have remained.

Huth: Did you have to sign a contract when you decided to come here--to agree to stay a certain length of time?

Lewis: There was no contract.

Huth: So if you decided you didn't like it you could just leave?

Lewis: As a matter of fact, I did turn in a letter of resignation a few months after joining. That shook them up. The board of trustees called a hurry-up meeting with me. I told them they weren't paying me enough, and that I was working a seven-day week and twenty-four hour days. They agreed to increase my salary and arrange for me to have time off during the week and every other weekend to visit my family in San Mateo.

Huth: How could they arrange for time off if there was no relief surgical staff?

Lewis: Arrangement was made for a fee-for-service surgeon to cover me.

Historical Background

Huth: Please tell me about the historical background of the San Diego Health Association. What can you tell me about the history going way back?

Lewis: I am glad you asked. It's history has not been mentioned in prepay medical care history. I'll try to keep it as short as I can.

Before Kaiser Permanente came to San Diego in 1967 there was the San Diego Health Association, 1957 through 1966. And before SDHA there was the Complete Service Bureau, 1939-1957; and before CSB there was the Beneficial Society, 1935-1939; and before the Beneficial Society there was Dr. George Roy Stevenson.

If you want history going way back, I must start with Dr. Stevenson.

Huth: Then, let's begin with Dr. Stevenson.

Lewis: The history prior to 1958, when I joined SDHA, is from a variety of sources, which for brevity sake I shall not mention.

First, I'll provide a short biography of Dr. Stevenson--up to his venture with the Beneficial Society in 1939. He was born in Kansas in 1885. He graduated from Ensworth Medical College in St. Joseph, Missouri, in 1908. He practiced in St. Joseph beginning in 1908. At the request of the county medical society he organized and managed a medical care program for the community's indigent. In 1958 he told me that his program still functioned. I believe it influenced his attitude that medical care services must be available to all segments of the population.

He was also influenced by a Dr. Michael Shadid, who in 1929 organized a medical cooperative for a large group of farmers in Elk City, Oklahoma, to build their own hospital and to employ physicians on a salary basis.

Dr. Stevenson served in the army during World War I. He came to San Diego about 1920 and was probably in general practice and became a member of the county medical society. In 1924 he was appointed superintendent and medical director of the San Diego County Hospital for several years. In 1929 he was accepted as a fellow of the American College of Surgeons.

Contract medical practice and lodge or fraternal medical practice on a retainer or prepayment basis were established modes of practice in the United States as far back as Colonial times. It is a history worth telling, but now we are limiting ourselves to Kaiser Permanente antecedents in San Diego.

Lewis: The members of a lodge-type society of about one thousand persons requested his services in 1935. Drs. Ross Carter and E.P. Chartres-Martin were associated with him. The former was an obstetrician and had been president of the San Diego County Medical Society; the latter was a neurologist and city health officer for a few years. The organization's name was the "Beneficial Society."

David (Dave) William Parmer enrolled thirteen hundred persons in one year. In 1938 all three physicians were expelled from the county medical society for unethical and unfair competitive medical practice with the Beneficial Society.

In 1939 Dave Parmer and Dr. Stevenson founded a non-profit corporation in accordance with California law, as consumers voluntarily associating themselves to obtain for themselves and their families, medical, surgical, hospital and related service. They took the name Complete Service Bureau [CSB]. The members paid monthly dues of $2.50. Fees were set in a schedule below the San Diego level, such as a $95 maximum for surgery of any kind, $1.50 for each office visit, etcetera.

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Lewis: The Putnam home on an acre of land was bought by CSB for medical offices, where the Maple Street office building now stands. The Putnam House has a history, too.

The San Diego County Medical [SDCM] Society bylaws stated that physicians engaged in prepay medical practice were unethical and therefore were ineligible for membership. Hospital bylaws required physicians to be eligible for or members of the county medical society in order to secure privileges to hospitalize patients. Consequently, none of the hospitals, except two small ones, granted full privileges to CSB physicians and both were threatened with removal of their accreditation.

The administrator of one of the hospitals told CSB to continue to use his facility, provided that the bureau would challenge the medical society in court. Whereupon, a period of legal battles ensued from 1948 to 1956.

Dr. Stevenson and CSB initiated suit for antitrust action and compensatory damages. The SDCM Society countersued for the illegal practice of medicine. In 1954, the suits reached the Supreme Court of California, which ruled in favor of CSB and against all allegations by SDCM Society.

Lewis: It wasn't until 1956 and another suit by CSB that the society carried out what the Supreme Court had ordered it to do. In those intervening years Dave Parmer died--in 1953. Also in 1953 the American College of Surgeons revoked Stevenson's membership on the basis of alleged fee-splitting and other charges leveled in the lawsuits. In 1957 CSB renamed itself the San Diego Health Association, Incorporated [SDHA], a non-profit consumer organization. I joined SDHA in February 1958.

Prepayment, Copayment, and Coverage Exclusions

Lewis: In a way, prepay practice is a misnomer, because it is not comprehensive prepay. This applies both to what we [Kaiser health plan] call our prepay and what the insurance industry calls prepay. They're not comprehensive; there's always some degree of copayments or deductions or areas of medical care which are not covered to some degree; such as psychiatric, pharmacy, dental, plastic surgery, tuberculosis (TB), and of course occupational medicine and third party liability isn't covered either.

Huth: Did you say TB was not covered?

Lewis: Right.

And there are other exclusions not covered. I haven't really cited them all.

Huth: So although they call it comprehensive, that's a misnomer?

Lewis: Comprehensive is wrong, and prepay is wrong. Of course, prepay implies socialized medicine where you have to pay for nothing. There isn't any group practicing that can do that, not even Kaiser. So they too have exclusions.

Just a few weeks ago, when I was at Kaiser, I saw a patient being asked to pay a three-dollar fee for medical service. So there are still some things that are not covered. I do know, however, that when I was still in Kaiser, xrays for which the patients were charged an additional fee, were eventually lumped into the comprehensive coverage. This is now included in their premium that is paid monthly. There also was a time when out-of-area care was not covered.

Huth: Is there anything else you want to tell me about the history, before we move on to your San Diego Health Association experiences?

Lewis: I don't know of anything right now.

Going to Work for the Association in 1958

Huth: When you first came to the San Diego Health Association what did you find that you didn't expect to find, and what surprised you the most? After your interview you were told certain things, and you talked to doctors. But when you came was there anything that struck you about it that you hadn't been aware of before?

Lewis: I didn't get any great shocks. I found that patients are patients all over, whether prepay or not, and they want to get their money's worth. They want to get good service. They want to be treated as valued members. They don't want to get a runaround. So in that respect it's not any different from any other kind of service. I think in every group of doctors you'll find doctors of all kinds--in their attitudes towards each other and toward their patients, whether they're private patients or whether they are prepay patients.

I remember one physician at San Diego Health whose motto was: "Happy doctors make happy patients," meaning, "If I get paid well, if I get special privileges, that will make me happy. And if I'm happy, the patients will be happy." He never said it the other way--that happy patients make happy doctors [laughter]. And that's an attitude that I found in general throughout the practice of medicine. I always encountered some doctors who frequently felt that medicine was a business rather than a social responsibility.

Huth: As to the surroundings and the facilities here--could we take a look at those now? Will you please tell me what it was like when you came?

Lewis: You see, there had been a great deal of legal problems between the medical community and the Complete Service Bureau,* which were settled finally in 1956 before I arrived. In 1957 the Complete Service Bureau changed its name to the San Diego Health Association--at which time, its membership was fifteen thousand. The association, which I joined in January of 1958, was outgrowing its offices in the Putnam mansion. Plans had been made before I arrived to replace the mansion with a new medical office building on the property. The mansion sat back on the land. Clinic activities continued in it during the construction of the new office structure in front of it. The mayor of San Diego and civic and business leaders attended the ground breaking ceremonies. In June 1959 it was open for business, and the beautiful old mansion was torn down. The new structure was a 23,000 square foot, four story, air conditioned building with two elevators.

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*Complete Service Bureau vs. San Diego County Medical Society, 43 Cal. 2d 201, P. 2d 497 (1954).

Lewis: Doctors offices, exam rooms, and waiting rooms were located on the middle two floors. Xray, lab, physical therapy, pharmacy, administrative offices and an IBM [International Business Machines] recorder and analyzer occupied the ground floor. A conference-library room and ambulatory surgery suite were on the fourth floor.

Huth: Was it well-equipped?

Lewis: It was well-equipped and well-organized, and it had, for my particular interest, an ambulatory surgery unit occupying part of one floor. This was for the kind of outpatient surgery that reduces the costs of hospitalization. Up until 1959 only individuals and their families were enrolled as members. Beginning in 1959 groups were enrolled for the first time. These were brought in by an association called Physicians and Surgeons [PSA]--Physicians and Surgeons of Los Angeles, which recruited groups of employees throughout California.

Huth: Were they based in Los Angeles?

Lewis: Yes. But they recruited union and employee groups statewide, which then were offered to any medical group that wanted to take them as members. San Diego Health had a recruitment department of its own, but it had never enrolled any groups--only individuals.

Huth: When the groups came in, did that increase your membership considerably?

Lewis: Yes, that increased the membership--not very much at first, but slowly, so that by 1963 our memership population had increased to the 23,000 range.

Hospital Construction, Management and Insolvency Problems, and the Kaiser Permanente Takeover, 1963-1968

Lewis: We had a great deal of confidence in our capabilities and the anticipation of the inevitable further development of prepay, taking Kaiser as an example. We felt that we were going to enlarge considerably in the next several years. We felt that a hospital of our own, which we could control, would more effectively serve our membership. Our staff hospitalized patients in three hospitals in the San Diego city area, and a lot of time was consumed in traveling from one to the other. As I've indicated before, I've always felt that was no way to practice, spending a lot of time in travel. That time would be better spent making morning and evening rounds, and seeing office patients in between, all in the same building.

LEGAL DOINGS: Complete Service Bureau won a round against the local medical society this week when the California Supreme Court decided to review the decision of the Fourth District Court of Appeals which had reversed a local trial court decision. Such reviews are not entered into lightly, and a horseback legal opinion might be that the CSB has an exceptionally strong case. The legal battle has attracted national interest. Stripped to its bones, the case propounds this question: can good medicine be made available at a reasonable cost without the blessing of the American Medical Association? July 18 1954

July 1954 II

Court Upholds Medical Center Against Doctor

The State Supreme Court has reversed a ruling of the Fourth District Court of Appeals and affirmed a decision by Superior Judge Arthur L. Mundo in San Diego in favor of the Complete Service Bureau.

The ruling handed down in Los Angeles held the non-profit medical center was lawfully operated. Legality of the bureau's operation had been challenged in a 1948 suit filed by the County Medical Society.

The society contended that the bureau, in effect, had split medical fees with persons who were not doctors. The society contended this practice violated state law and asked for an injunction against the bureau.

In a 4 to 2 decision the Supreme Court said, "there is no valid objection to the formation of a non-profit medical service corporation under state law."

III

New Hearing Sought in 1954 Medical Suit

The state Supreme Court has been asked to reconsider its decision against the San Diego County Medical Society in a case involving the Complete Service Bureau.

The society's attorney, Brooks Crabtree, said yesterday that he had filed a petition with the high court for rehearing of the case.

The court recently reversed a ruling of the 4th District Court of Appeal and upheld Superior Judge Arthur L. Mundo, who rejected the society's plea that the service bureau's plan for prepayment of doctors' professional fees is illegal.

The society filed its suit in 1948, asking for an injunction to close the bureau's operation.

IV

Bureau Suit Court Rule To Continue

1954

The State Supreme Court has denied the San Diego County Medical Society's peptition to reconsider its decision in the society's suit against the Complete Service Bureau, a San Francisco attorney said today.

The high court has held that the Bureau, a San Diego prepaid medical organization, may continue to operate.

George Smith, San Francisco, whoe firm handled the medical society's appeal, said the high court's refusal to grant the petition came Wednesday.

Smith said the decision cuts off any further action against the Complete Service Bureau in California courts.

Peace Talks: C. S. B. and County Medical Society

1956

THE long dispute between the Complete Service Bureau and the San Diego County Medical Society over group practice of medicine may be nearing an end. There were encouraging signs this week.

C.S.B. is an organization of M.D.'s which maintains offices and some clinical facilities at 328 Maple St., Hillcrest, and which with a staff of 14 physicians, serves many thousands of San Diego members.

Because C.S.B. was a group operation patterned roughly, though not exactly after Henry Kaiser's Permanente medical and hospital operations elsewhere in California, the County Medical Society some years ago took the position that C.S.B. doctors would not be admitted to membership. This had the effect of barring the C.S.B. physicians and surgeons—although duly licensed—from many San Diego area hospital staffs.

C.S.B. filed a damage suit against the society. Then the society filed a counter-suit charging unlawful practice of medicine because of advertising and alleged "fee splitting" with non-medics.

Last July 9 the Supreme Court of California threw out the society's counter suit and gave C.S.B. a clean bill of health. Since then the Complete Service Bureau has withheld action on its damage suit against the society, and all 14 C.S.B. doctors have filed applications for membership in the County Medical Society. The C.S.B. doctors also have applied for staff admittance (permission to take patients there) at Sharp Memorial Hospital, the new taxpayer-built Grossmont hospital and others.

Conferences between the society and the C.S.B. staff, headed by Dr. Chester J. Antos, have been held on a continuing basis in recent weeks.

Both Dr. Antos and Ralph Byrnes, general manager of C.S.B. indicate that a "mutually health discussion" is under way.

A spokesman for the County medical society confirms that "discussions are under way in a gentlemanly and fair manner for the betterment of medicine in San Diego County." He adds that "a lot of things have been changed (with C.S.B.) since the beginning of the lawsuits, and we hope to work out something mutually satisfactory."

Meantime Louis Peelyon, superintendent of Grossmont Hospital, near La Mesa, which will be dedicated Sunday, July 24, at 2 p.m., and which expects to admit patients to its $1,700,000 plant of 108 beds early in August says: "The staff applications of Complete Service Bureau doctors have not yet been acted upon. But I think there is no question as to their admittance."

In Sacramento a bill by Assemblyman Patrick McGee which would have made it legally impossible for C.S.B., Permanente and other group plans to operate, has died in committee.

Lewis: So the management team, of which I was a member, began planning a hospital. We looked at many sites. Finally, we settled on a four and one-half acre site in La Mesa. Construction commenced in 1964 and was completed in 1965. The hospital had fifty acute beds and twenty beds for convalescent or long-term care--which did not have to have hospital-type equipment. Eventually, as we expanded, the convalescent beds would become acute hospital beds, and then new arrangements would be made for convalescent and nursing home care.

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Lewis: Getting authorization for construction was not too difficult. The Hospital and Health Facility Planning Commission of San Deigo County gave us a hard time and disapproved our application. On the other hand, the La Mesa City Planning Commission, and the city council heartily endorsed our facility in their community.

More Historical Background on Organization and Leadership

[Interview 3: June 26, 1986]##

Huth: We're ready to begin our third interview. Today, we are at the San Diego Kaiser Permanente Medical Center.

Lewis: Welcome, Mrs. Huth. I think we have a busy afternoon ahead.

Huth: Dr. Lewis, in our last interview on April 30th we went through some detail on the history of the San Diego Health Association. Do you have anything else you want to tell me about that?

Lewis: Yes. I'd like to briefly give you dates that are more accurate--about how the San Diego Health Association evolved from 1935 to 1966. As I told you, the first group plan was the Beneficial Society from 1935 to July 3, 1939 at which time it incorporated as the Complete Service Bureau. And on that date, July 3, 1939, the Stevenson, Chartres-Martin Clinic was designed as the medical group to serve the Complete Service Bureau. It existed under that name until February 10, 1957, at which time the Complete Service Bureau, Incorporated, was renamed the San Diego Health Association, Incorporated. The San Diego Health Association existed from February 11, 1957 until December 31, 1966, when it was taken over by the Kaiser Foundation Health Plan. The San Diego Health Association can be divided into two periods. One was an expansion period, from February 11, 1957, to November, 1964. Then, the period of decline and insolvency, which ran from November, 1964, to December 31, 1966. As you are aware, Kaiser took over the program January 1, 1967.

Huth: That's helpful. Has anyone done a history--are there written histories on this? I know you've been interested in the history for some time. Do you know about anything that exists in writing anywhere?

Lewis: There have been some one and two-page histories done by a few people, but they were very short in length and just covered some highlights and some special dates--some of which were accurate and some of which were inaccurate. So none of those can be said to be complete. There's a little bit of truth in each one of them. I don't know the names of the authors.

Huth: Now, will you please tell me about some of the key leaders who were active during those periods that you reviewed. You mentioned the Beneficial Society from 1935 to 1939, and the Complete Service Bureau from 1939 to 1957. That's more than a twenty-year period, and there must have been some key people who got it going during that time. What can you tell me about the leaders?

Lewis: We'll start with the key leaders in the Beneficial Society from 1935 to 1939. Dr. George Roy Stevenson was the founder, and associated with him were Dr. E.P. Chartres-Martin, and Dr. Ross S. Carter. It's of interest that Dr. Ross Carter had been the president of the San Diego County Medical Society in 1934, after which he joined Dr. Stevenson. Another name is George Latham, whom I can't identify, but who I think was a manager. And finally a very important name, that of David William Parmer, who was involved in enrolling members for the Beneficial Society. In 1934 the medical staff consisted of the above three doctors. The membership was 894 subscribers and their dependents, which rose to approximately three thousand persons by mid-1939.

For the Complete Service Bureau, Incorporated [CSB], which was a non-profit corporation, the key leaders were David William Parmer, who was the incorporator and the president of the board of trustees of the corporation. Dr. Stevenson was medical director. Ralph Byrnes joined the organization in 1944 or 1945. He had been working at Convair in San Diego as a pharmacist. I do not know if he joined the Complete Service Bureau as pharmacist, but eventually he became general manager, and later, executive director. Another key person was pediatrician, Dr. Chester Antos. He was chief of staff for a few years in the mid-1950s--to about 1956.

Huth: Did Dr. Stevenson have a private practice outside the Complete Service Bureau at that time, or are you talking about practice here?

Lewis: No, here. He was a full-time surgeon, medical director and chief of staff.

Huth: Was that for the Complete Service Bureau?

Lewis: Yes.

Huth: But when Dr. Antos became chief of staff that gave Dr. Stevenson more time to act as a surgeon?

Lewis: I think Dr. Stevenson retired from surgery and chief of staff during the 1950-56 years.

Huth: Do you know about how old Dr. Stevenson was at that time?

Lewis: He was born in 1885 and retired completely in 1955. That would make him seventy years when he retired. However, he continued as president of the board of trustees until 1964. He died in 1965.

I located a list of the board of trustees of CSB, Inc., in a 1951 document. Listed there were Parmer; Stevenson; Antos; Byrnes; the accountant, Clinton McCracken; Wilson Wade in the business office; and Pauline "Peg" Villian, secretary to the board. After Parmer's death in 1953, Francis Ohm, an insurance broker, joined the board.

In 1957 membership reached approximately fifteen thousand. The medical staff numbered about thirteen, plus a few part-timers. There was a small turnover of doctors, some of whom went into private practice in San Diego. Each of the doctors was an individual contractor with the Complete Service Bureau, Incorporated.

Huth: Does "individual contractor" mean that each one of them would have been responsible for saving for their own retirement, for instance? There would have been no general benefits accruing for an individual contractor?

Lewis: There weren't any retirement benefits. That was started in 1962, and terminated in 1965 by the board of trustees, who succeeded the board which initiated the retirement plan.

Huth: Perhaps that was too early for such benefits.

Lewis: What took place was that originally, in 1939, Parmer contracted with Stevenson to run the medical clinic and hire his own physicans. But in 1940 that was changed, and everybody became an individual contractor to the Complete Service Bureau, although they continued to work as a group, and Dr. Stevenson remained as the medical director of the group.

Lewis: There was a small turnover of doctors who were either terminated or left after a few years for private practice, and there were some who stayed on into the San Diego Health Association phase. These were Drs. Chester Antos, Robert Burak, Virginia Caspe, A.M. Livingston, George Stock, Betty Moody, Marcus Kelly, Robert Pullman, James Rule, Harold Leader, and others whom I can't recall.

Huth: These were all doctors, Betty Moody included?

Lewis: Yes. There are two physicians still alive in San Diego who were with the San Diego Health Association back in the 1940s. One of them is still practicing; the other is infirm. I have their names, but there is no need to provide that unless somebody wants it.

The medical consultants to the group were in every specialty even though the medical society principles were condemnatory of any member physician who provided services to the San Diego Health Association. More of that later, when we get into the relationship of the San Diego County Medical Society and the Complete Service Bureau.

Huth: Do you have any more to say about that period?

Lewis: That's about all.

A List of Key Leaders

Expansion Period Leadership, 1957-1964

Lewis: We can go on now to the next period and the key leaders.

Huth: That would be from 1957 to 1964, the San Diego Health Association?

Lewis: That really goes through 1966, through the entire existence of the San Diego Health Association.

Huth: But it's divided for some reason--

Lewis: For informational purposes it's best to divide it into an expansion period, from February 11, 1957 to November 23, 1964, and a decline period from November 1964 through December 1966. The reason for dividing it that way is because of an internal rift that changed the entire complexion of the board of directors, the business management, the revenue, and the solvency of SDHA.

Ground breaking ceremony participants--for construction of the San Diego Health Association's $2,000,000 hospital and clinic in La Mesa in 1964. Taken in front of Maple Street, San Diego clinic.

Left to right: William D. Wagstaff, hosptial administrator; Donald O. Williams, administrative assistant; Robert F. Burak, M.D., medical director; Ralph Byrnes, executive director; and Benjamin Lewis, M.D.

Lewis: Now, in the expansion period the key leaders were: Ralph Byrnes, general manager and executive director; Dr. Robert Burak, chief of staff in 1960, and medical director from 1961; myself as chief of staff from 1961. The three of us were also on the board of trustees and the management team. The chiefs of staff before Burak were Dr. Leader, who withdrew from the group, and Dr. Stock, who died.

Huth: Now, this is the first time you appear on the list.

Lewis: Yes. I joined in 1958, and I worked my way slowly up to chief of staff, so to speak.

Huth: So you're just listing the key leaders, and this was the first time you were in any leadership position?

Lewis: That's right, except as chief of surgery. But that I didn't consider to be a leadership post.

I became director of clinical services in 1964. Dr. Stevenson, who was president of the board, became president of the Complete Service Bureau board after Dave Parmer's death in 1953, and he continued in that position through the period of the San Diego Health Association, until 1964. Also on the board were Dr. Chester Antos, vice-president, and Wilson Wade, who was retired from the business office.

Huth: You mean he was retired, but he was a trustee?

Lewis: Yes.

Huth: So was that an honorary appointment?

Lewis: Wilson Wade had been on for a long time prior to 1957. Then, in addition, there were four more: Clinton McCraken, the accountant; Francis Ohm, insurance; John W. Quimby, secretary of the AFL-CIO Labor Council in San Diego; and finally, Lou Katz, attorney for SDHA.

Huth: Do you know how they happened to bring these last two in as trustees? Was that the first time they brought in someone from labor and an attorney--from the outside?

Lewis: Yes. They were recent additions in 1960 and 1961.

Huth: Was there some special reason for going outside for trustees?

Lewis: Well, Mr. Quimby and labor agreed with SDHA's objective of reducing medical care costs to an irreducible minimum, and several union groups were our members. Although Lou Katz was a trustee, he was there mostly for giving legal advice at the meetings.

Huth: Was he a hired outside attorney, or was he actually an employee of the association?

Lewis: He was hired for his services. The trustees received no fees and no pay for attending meetings.

Another key leader, although not a member of the board, was William Wagstaff. Wagstaff was an ex-office manager for the San Diego Health Association. He was project coordinator in the design and construction of an osteopathic hospital in El Cajon and became its administrator, after which, he returned in a similar capacity to help San Diego build the Stevenson Memorial Hospital and to become its administrator. Incidentally, the osteopathic hospital was later bought by Kaiser for Permanente patients. We also had another entity which was important, and that was a management team. This management team consisted of Byrnes, Burak, myself and administrative assistants, Jack Katz and Donald Williams.

Huth: Who was Donald Williams? That's the first time you've mentioned him.

Lewis: Donald Williams was an administrative assistant. He ran the IBM data machine for the organization. Later, we added our new enrollment director, William C. Bucknum, and our future hospital administrator, Bill Wagstaff.

Membership rose from 15,000 in 1957 to 24,000 in 1964. There was a full-time medical staff of twenty-two. There was very little physician turnover during my period of time there from 1958 on. We had medical consultants in every specialty to provide our services that we needed occasionally.

Huth: Could you name what some of those were?

Lewis: The specialists were in vascular surgery, neurosurgery, orthopedics, thoracic, radiotherapy, psychiatry, dermatology, anesthesia, laboratory, and genitourinary--perhaps some others. But those are the only ones that I can think of right now. They were very agreeable about taking care of our patients, even though the county medical society had said they couldn't and shouldn't.

Huth: Why do you think they were willing to do it, even though they might be ostracized by the medical association?

Lewis: I don't think they worried much about being ostracized by them. They were all good men in their fields and well-known, and some of them were active in medical society affairs. I think they had a feeling towards what the San Diego Health Association was attempting to do and the quality care we were providing. I've used a number of them--even had one of them operate on one of my sons.

Huth: That's a very good description of that.

Leaders During the Period of Decline and Insolvency

Huth: Now, can we move on to the period of decline and insolvency, from 1964 to 1966? Would this be a good time to do that?

Lewis: Yes. I will mostly be naming names, with a few comments on this period of decline and insolvency which ran from November 24, 1964, when the new board of trustees took over, until December 31, 1966, when Kaiser Permanente took over.

A key leader was John Quimby, who was appointed interim general manager by Mr. Stubbs, the president of the board, and by James Hewitt, who was the lawyer for the dissident group of directors.

For about four months there was no trained general manager available. Advertisements had been placed in the L.A. Times and in the San Diego Union--for a general manager. Finally, Fred W. Tennant was selected as general manager.

Huth: Where did he come from?

Lewis: He was formerly regional manager of the Kaiser Foundation Hospitals in northern California. He remained general manager for about one year, until early 1966 when he resigned because of interference by Stubbs and Hewitt in day-to-day business, and by division of authority with a comptroller, who had been brought in by the board of trustees.

Huth: Do you think there was any special reason for bringing in this comptroller, when they knew that it might upset Mr. Tennant? Do you think they were attempting to move him out? Do you think that was what they were attempting to do?

Lewis: I really don't know what their reasoning was, except that they were in dire financial straits in 1965, and needed someone who would handle the finances.

Huth: And wasn't that Mr. Tennant's job?

Lewis: That was part of his job, and the comptroller should have been under his supervision. But apparently, he reported to the president of the board of trustees and to the lawyer. I'm just guessing at that; I don't know for certain.

Huth: Did Mr. Tennant report to these two also?

Lewis: Oh, yes, Mr. Tennant reported to the president of the board of trustees and to Mr. Hewitt, who was very active, I suspect, in the affairs of the organization--for a number of reasons, including numerous lawsuits brought against the organization.

Huth: But Tennant did eventually resign, didn't he?

Lewis: Yes. I'll talk about that in a moment. Another key leader was E.T. Ageno, who was brought in as controller on April 4, 1966. He succeeded Tennant as general manager and controller when Tennant resigned in July 1966. Another key player was James Hewitt, who was the attorney for SDHA's dissident group and the new board of trustees. Of lesser importance was Dr. Chester Antos, who then became medical director; Dr. Myron Saltz, chief of staff in 1965; and Dr. Myron Johnson, chief of staff in 1966, who played a part in the transfer of SDHA to Kaiser.

On the board of trustee (I dubbed them the board of tyros) were a number of people. In addition to mentioning their names, I will also list their occupations--as a way to give some clue to their capabilities and knowledge in running a business and a medical practice. First was Paul L. Stubbs, president of the board, he was vice-president of Silvergate Savings and Loan. Dr. Chester Antos, vice-president of the board who was a carry-over from the previous board; John W. Quimby, also a carry-over from the previous board, and a former secretary of the local labor council, and later manager of the Small Business Administration for San Diego and Imperial counties; David S. Church, secretary of the board, and vice-president of Security Title Insurance; W.W. Shukraft, treasurer, and fire chief of San Diego; Reverend Sorensen, minister, Christ Lutheran Church; Jack Walsh, San Diego city councilman; and Alvin Rosa, businessman. Shukraft resigned in 1966 because the situation was confused, getting worse, and taking up too much of his time.

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The full-time medical staff was twenty-three in number, with sixteen at Maple Street, and seven at the Stevenson Memorial Hospital in La Mesa.

Background on Constructing and Remodeling Facilities

Huth: Could we move on now to the early facilities, and then your later expansion during this period from 1935 to 1966? By facilities I mean the buildings that were constructed or any remodeling that you did, and why additions were made--why you thought they were needed?

Lewis: In 1935 the Beneficial Society probably had no central office. Each doctor probably saw members in his own office, and his patients probably included non-society patients, as well as those who belonged to the Beneficial Society. Drs. Stevenson, Ross Carter, and Chartres-Martin provided the medical services. The membership started with about a thousand and rose to about three thousand in 1939.

When the Complete Service Bureau, Incorporated, came into existence, it leased the Putnam House at 328 Maple Street in downtown San Diego to house the medical staff for one year, and then the mansion was purchased. This transfer of activities to a central location took place on July 3, 1939. I'll send you a picture showing the sign that was posted at the office building that shows it was called the Dr. Stevenson/Chartres-Martin Clinic. Dr. Carter had dropped out.

In order to accommodate more physicians for the increased number of members, the Putnam House was razed after a four-story medical office building had been constructed in 1959 on the property. In addition to doctors' offices, it had an ambulatory surgery and recovery room (I did some work in it), a library-dining room, laboratory, x-ray, and pharmacy. For a short time, it even rented space to a luncheonette. The business office and an IBM [International Business Machines] data processing machine were also in the building.

In 1964 construction on the Stevenson Memorial Hospital was begun, and completed in 1965. The structure also housed offices for doctors. The hospital had been constructed in spite of opposition from the San Diego County Hospital and Health Facility Planning Commission. The facility was located at 8010 Parkway Drive, La Mesa, on four and one-half acres of land purchased at a reasonable price. It was located just one hundred yards or less from ramps to and off Interstate 8, which was central to most of our members, and the location of future residential and business development. The cost of the land, construction, equipment, and the furnishings was about two million dollars.

Lewis: The facility had approximately 51,000 square feet of space, and was built on two levels. Originally only the upper level was occupied. The hospital portion contained forty-two acute beds, eight maternity beds, and twenty beds for long-term convalescent or nursing home care. These beds were convertible to acute medical beds if required. The property was of sufficient size to expand the hospital to one hundred sixty beds. The hospital contained three major surgeries and two delivery rooms, a kitchen-dining room, pharmacy, lab, x-ray, medical records, a meditation room (at my suggestion), etcetera.

Huth: Wasn't a meditation room unusual?

Lewis: Yes. I'm not a religious person, but I felt that others who needed it could use it and should have it.

Huth: Was it just a quiet place with restful furniture?

Lewis: It was a small room. As one went from the lobby towards the hospital the first room was the meditation room, clearly marked so that people who wanted to use it could find it--coming or going.

Huth: And that could be patients?

Lewis: And their families.

Huth: But doctors used it also?

Lewis: We did not have a registry book for users.

Huth: Was it well-used?

Lewis: I believe it was. Incidentally, we also had a ladies auxiliary which had been created while the hospital was in the planning stages early in 1964. Those are the same ladies who are now the Pink Ladies at this hospital. Some of them are still with the organization.

Huth: Were they wives of doctors?

Lewis: I think there might have been some, but most of them were members of the association.

Huth: They were volunteers that helped get things done that needed to be done?

Lewis: Right.

PUTNAM MANSION, MAPLE STREET AND FOURTH AVENUE, SAN DIEGO,

Built in 1889 (Architect: Leland Stanford White). Offices for Stevenson and Chartres-Martin Medical Group, 1939; clinic offices of Complete Service Bureau, 1939-1957; San Diego Health Association (SDHA) Medical Offices, 1957-1964, when construction began on the SDHA.

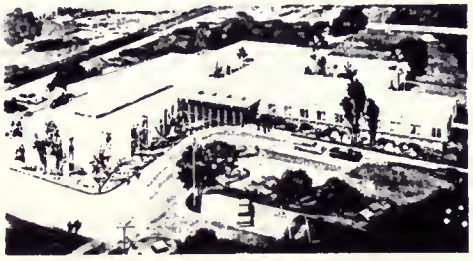
Main offices and clinic at the same location and the Stevenson Memorial Hospital and Clinic in La Mesa (see the artist's rendering below right, 1964).

Below left: Dr. George Roy Stevenson, 1958. President Board of Trustees and Founder of San Diego Health Association.

Welcome

to the ground breaking ceremony for our beautiful new $2,000,000

Hospital and Clinic in La Mesa



San Diego Health Association

3/15/64

Lewis: Seven doctors' offices and treatment rooms were on the upper level. Unused space on both levels, upper and lower, was available for another six physicians and for a projected dental suite. The lower level was unfinished and used for storage temporarily.

The reasons for this facility were: to meet current membership and projected future increases, to conserve doctors' travel time to hospitals scattered over long distances, to concentrate delivery of hospital and office medical services to forestall inflationary future costs in building a facility at a later date, for membership pride in their "own" hospital, and to gain more members, etcetera.

Problems with the Professional Societies, and Getting Hospital Privileges

Huth: Dr. Lewis, what can you tell me about the problems you and the other doctors here in San Diego had with the American Medical Association [AMA], the California Medical Association [CMA], and the San Diego County Medical Society?

Lewis: Well, I didn't have any problems with them because the problems had been resolved two years before I got here. But I've been able to collect information about it from the county medical society's monthly journal, from newspaper items, and from a copy of the California Supreme Court decision.*

Huth: So you know that they did have a problem here then, a major problem if it went to the Supreme Court.

Lewis: Yes. That's right. The problem was primarily with the San Diego County Medical Society, naturally, but the CMA and the AMA were always party to the objections to having a prepay-type practice. They were always opposed to prepay medical care, and to group practices, and contract practices. Contract practice on a salary or retainer basis with fraternal organizations and with industries--these type practices--were considered socialistic and a competitive threat to fee-for-service and free choice of doctor. This attitude was held by not only the county medical society but also by the CMA and the AMA, and probably by the American College of Surgeons.

The problem here was that physicians who were engaged in these "deviate" practices were denied membership in the county medical society, and thereby denied membership in the AMA and the CMA and hospital privileges.

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*43 Cal. 2d 201, 272 P. 2d 497 (1954)

Huth: And how about the American College of Surgeons? Weren't doctors unable to join that also because of this prepay service?

Lewis: Probably.

Huth: There is a licensing, too, isn't there, to practice in certain specialties?

Lewis: Well, it's not a license, it's just an organized board of specialists, which indicates that a doctor who claims to be a specialist has had formal training and experience.

Huth: Does that require American Medical Association membership?

Lewis: No, it doesn't.

Huth: So they could get the board specialty without being members of the society.

Lewis: That's right.

Huth: And could they have gotten this certification at that time, too, when they were having all of these problems?

Lewis: I believe so, yes. I'm sure.

Without county medical society membership physicians could not obtain hospital privileges. That was the situation for the Complete Service Bureau doctors.

Huth: So what did they do?

Lewis: Doctors who were county medical society members were expelled from the medical society because they were participating in the Beneficial Society and in the Complete Service Bureau. This happened to Dr. Stevenson and Dr. Chartres-Martin and Dr. Carter during the 1935-1939 period. Dr. Carter had been president of the county medical society in 1934. Stevenson, who had obtained his fellowship in the American College of Surgeons in 1929, told me he was dropped from fellowship in 1954 because of the charge of unethical practice of medicine brought by the medical society in the lawsuit trials.

Huth: So it did affect the College of Surgeons.

Lewis: In 1986, I wrote to the American College of Surgeons to ascertain the facts. The physician who responded admitted that Stevenson had been dropped from membership, not because he was in prepay medical group

Lewis: practice but perhaps because "the activities of such a group--advertising, solicitation of patients, inducement to refer patients--would be enough to make judiciary consideration necessary. Again, I do not say that was the basis for Dr. Stevenson's loss of his fellowship."

Huth: And was that his choice because he chose not to be a member after that?

Lewis: He didn't care anymore about them. He went to the college in Chicago to talk to them about it--he told me--but they would not restore his membership.

Huth: Purely on the basis of the same objection that the AMA had?

Lewis: Well, they deny that too. But my guess is that is the reason.

Huth: It certainly bothered him, but he must have decided that he could manage without it?

Lewis: Yes. I know it bothered him enough to talk to me about it. His fellowship was very important to him.

The only hospital in San Diego which granted privileges to the CSB physicians to admit and treat patients was Quintard Hospital. When I came to San Diego, that's the hospital that I worked in initially, although membership was available at that time, after all the lawsuits, to practice in all hospitals.

Huth: Was there any tendency for the association doctors to just stay at that hospital because they had accepted them?

Lewis: The only reason for working there was that it was convenient to the Maple Street offices, and the services were of good quality. It was accredited by the official Joint Commission on Accreditation of Hospitals. One of the reasons for building the Stevenson Memorial Hospital was not to have to go to Quintard, Villaview, Sharp, and Mercy Hospitals to make rounds once or twice a day, and waste travel time--when we could be seeing patients.

Huth: So they were scattered all over?

Lewis: They were scattered all over the city. Which is true for many doctors in practice, who even now have offices in mid-town San Diego, and travel way down to Chula Vista near the Mexican border to do some of their surgery and see patients.

Lewis: As I mentioned before, it was strange that members of the county medical society, who provided services to the Complete Service Bureau in a variety of specialties, were not expelled from the society, although expulsion was mandated in the membership bylaws.

Huth: So they could have been but were not.

Lewis: Yes.

Huth: Do you think that it had anything to do with the fact that these doctors believed that what you were doing was all right, and that the association was probably wrong? Or perhaps that there were enough of them so they were a powerful force in the society, and they needed them as members?

Lewis: Yes, probably, to both your questions.

The Lawsuits

Huth: How did this all work out?

Lewis: Well, I'll start at the beginning when the first legal suits to remedy the situation were initiated in 1948, and brought to trial in 1952, 1953, and 1954, followed by another suit in 1956, which was aborted by an out-of-court settlement. In 1948, CSB and three staff doctors brought suit against the county medical society and several physicians in the society alleging comspiracy in restraint of trade. The defendants--that is, the San Diego County Medical Society--filed a cross-complaint charging the CSB board of trustees with unlawful engagement in the corporate and lay practice of medicine.

Huth: You mentioned Group Properties, Incorporated. What was that?

Lewis: At the time of the lawsuit Group Properties, Incorporated, owned the clinic building and land (Putnam property) and, I believe, the medical office equipment. That was a for-profit corporation. To the best of my knowledge nobody profited from it.

Huth: We haven't mentioned that before.

Lewis: No, it hasn't been mentioned before. It antedated my coming there. It was transferred to or was bought by the non-profit SDHA, Incorporated. In or about 1962 it became part of the physician retirement program, which was terminated in 1965 by the dissident board of trustees.

Lewis: The CSB and the physicians, in a cross-complaint by the medical society, were charged with unprofessional conduct in abetting the lay practice of medicine, advertising, soliciting, and other charges.

Huth: We have some clippings that you've provided on that, and that can give us a picture of what happened. *

Lewis: I think it will. The state supreme court final judgment will go into all of this. It's very interesting. I remember two things that were discussed. One, that SDHA was in competition with the doctors of the county medical society [laughter]--honest. The second, that SDHA was not good for the public welfare. It was better for private practice welfare, I guess. The years from 1948 to 1952 were spent in pursuing the legal paper work, cross-complaints, and collecting information and data, so that the first trial didn't take place until September 15, 1951, and ended in February 1952. It took place in the Superior Court of San Diego, and resulted in a verdict in favor of CSB. The medical society request to appeal the decision was granted.

The second trial, their appeal, ran from July 1953 to September 14, 1953. This was in the California Court of Appeals, Fourth District, which reversed the superior court. The court of appeals ruled that CSB, Incorporated, was practicing illegally. Now CSB appealed the decision to the California Supreme Court. Of interest is that just prior to the start of this July 1953 trial, Dave Parmer had died in the spring preceding the start of the trial.

Huth: Did anyone think that the trial had something to do with his death?

Lewis: I have a letter from one of the SDHA members that appeared in a local newspaper in which he said that it was a shame that Dave Parmer had committed suicide. In talking to one of the doctors who had been with Kaiser at that time, Dr. Burak, he said that Parmer had an apartment in the Putnam House where he lived with his wife, and he was found dead in a bathtub. I asked him if he knew anything about the post-mortem, whether he had taken any medicine or drugs, whether he had heart disease or anything else. He said he didn't know anything about an autopsy, but the talk was that he had committed suicide.

The third trial took place in 1954, and the court decision was handed down July 9, 1954. As I said, this trial was in the California Supreme Court, which reversed the appeals court, and reinstated the superior court decision in favor of CSB and its physicians. The supreme court commented that the California Physicians' Service, which was organized medicine's creation to provide fee-for-service for people

* See pages 70a and 70b.

Lewis: below a certain income level, and CSB were both engaged in similar activities and practices, although only CSB was challenged by the county, state and AMA medical societies. The three societies were doing the same things themselves, and these practices were legal.

Huth: California Physicians' Service was also prepay, wasn't it?

Lewis: Well, every insurance is prepaid. One prepays insurance to California Physicians Service, which entitles the insured to pay a fee-for-service at a slightly reduced rate.

Huth: But at lower rates?

Lewis: The prepay group practice premium pays for office, hospital, and other services plus small supplementary charges which are well below the usual and customary fees as well as the cutrate California Physicians' Service fees. Each health and sickness insurance policy has coverage exclusion items, even at Kaiser Permanente.

The appeals court judgment was de-publicized, which means it was never to be quoted. The county medical society requested an appeal, but the appeal was denied, and you have information on that in some of those things I gave you--in some of those little leaflets.

Now, it's interesting to note that in 1953 the San Diego County Medical Society was afraid that Kaiser Permanente would come to San Diego. I found this in a 1953 issue of the San Diego County Medical Society's monthly magazine. Also of interest is that the Kaiser Foundation Health Plan attorneys--Thielen, Marin, Johnson, et al--filed an amici curae brief on behalf of CSB.

Huth: Friend of the court?

Lewis: Friend of the court. So did a Minnesota law firm.

Huth: Which law firm?

Lewis: Hansen and Lynch.

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Lewis: Hansen has written quite a bit on the legal aspects of prepay medical care. I'll send you the reference or an extra copy if I have it.*

Huth: I'd like to have that.

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*Horace R. Hanson, Group Health Plans: A Twenty-Year Legal Review, Minnesota Law Review 42:527-548, March 1958.

Lewis: Finally, in connection with lawsuits there was more activity in 1956. At that time the San Diego County Medical Society continued to bar CSB physicians from membership, and thus from hospital privileges, in spite of the supreme court's decision. Thereupon, in 1956, three CSB physicians--Burak, Antos, and Kelly--filed suit against the county medical society seeking $500,000 in damages. An out-of-court non-monetary settlement was reached, and membership for CSB physicians was speedily granted, and then privileges at all hospitals were obtainable. The California Medical and the American Medical Association recommended that the county medical society settle the suit.

One more comment about all of these lawsuits: This did not change the opinion of many physicians in the county who were unhappy with the results. Many medical society doctors didn't live happily with CSB and with SDHA for many years thereafter--a few of whom are still alive today, and still antagonistic and obsessed with that same attitude.

I recall testifying in 1963 before the California Legislative Committee on Health for a favorable vote on a bill against unreasonable discrimination against doctors seeking hospital privileges.

Huth: Maybe unable to say why now, because things have changed so much.

Lewis: You bet they have, yes. But they're against it now, too. There are doctors today who continue to fight for fee-for-service and free choice of physician.

Huth: This must be difficult in this day and age when so many doctors coming out of medical school are searching for health maintenance organizations [HMOs] to join. The number doing this may even be more than those going into private practice.

Lewis: Yes. Many doctors are starting or joining their own HMO-type operation, such as the Independent Practice Association or the Preferred Provider Association.

Huth: So to hang on to this old idea--it's sort of the last vestige.

Lewis: Yes, it is.

Huth: Well, that's an interesting story.

Lewis: And now, I guess, we want to go on.

Dr. Benjamin Lewis: Experiences and Role as Surgeon and Leader

Huth: We're ready to look into your role in the San Diego Health Association, and that would be from January 1958 when you came in? Is that right? 1958 to December 1966? That goes up to the time when Kaiser Permanente came in. Why did you decide to come to San Diego, and to the San Diego Health Association? What led to your decision to join?

Lewis: Well, I had been influenced by my past experiences in the armed services, where we had socialized medicine. I picked up a book in Australia, Pillars of Security, by Sir William Beveridge. It influenced me. I was also influenced by my internship and residencies, which were essentially group practices of many specialities in a single facility. Multi-specialty clinics, such as Mayo, Lahey, and others, were noted for their quality. I was interested in joining a group that would have the same multi-specialty advantages for its patients and its doctors.

Huth: And at the time that you thought of doing this, you were in private practice?

Lewis: Yes. I had been in private practice in Manhattan. I was kind of disillusioned there. The ins were in, and the outs had a hard time getting in. The money that I had accumulated was practically at an end--with a wife and three children.

Huth: So you had an economic reason for doing that?

Lewis: Yes, an economic reason for joining a group that would give me an immediate income and put my skills to use. This reminded me of when I first started in private practice in New York--and a lot of other doctors who were in the same situation. We came out well-trained, and we had difficulty building a practice.

Huth: But with the San Diego Health Association there were patients ready.

Lewis: Right. There were patients ready. And any group practice would be the same. I applied to group practices; they weren't taking anybody up in the San Mateo area. I heard about SDHA and came down to look it over. They looked me over. I decided that this was the sort of practice I had in mind. It was the sort of thing I thought was going to grow, and this would be a good place to start.

Huth: Were there other surgeons here?

Lewis: No. There had been surgeons here. In the medical records I found the name, Lee Grant, who had been here for several years. Immediately preceding me was James Rule.

Huth: And did he leave as you came?

Lewis: He waited until I came. He left to practice in Chula Vista.

Huth: Was it small then?

Lewis: It was the type of practice--and its potential--I think its potential is what helped move me into the organization. It was not just a matter of doing medical practice; I thought of what this sort of practice could do for the medical community, what it could do for the public, and what its benefits were.

Huth: How were you doing as a surgeon when you first came? Had you pretty much established your way of working, and did you have enough experience so you could move easily into the kinds of cases that came up?

Lewis: Yes. There was no problem with that.

Huth: Were there other surgeons working with you?

Lewis: At operations, which required a surgeon assistant, the urologist, Dr. Robert Pullman, was excellent, plus a nurse or technician when a third pair of hands was needed to hold retractors.

Huth: Was he here before you came?

Lewis: Yes. Perhaps two or three years before me.

Huth: And was he much younger?

Lewis: Yes, he was.

Huth: I have a question about the American Board of Surgery. What was the significance of taking the American Board of Surgery examination? I know it was much earlier that you did that but--being certified to the American Board of Surgery--did it make any difference? We talked about it in connection with Dr. Stevenson not being certified, and I would like to know what the significance of it was?

Lewis: The American Board of Surgery requirements are greater than those for the American College of Surgeons. It required five years of training in approved hospitals, and then written and oral examinations.

Huth: And you did that much earlier, is that right?

Lewis: Yes.

Huth: So it gave you a certain status as a surgeon?

Lewis: Yes.

Huth: When you came here did you think that the facilities and the hospital were working well, that the set-up was good, and that there seemed to be competent people on the staff?

Lewis: Yes. I had no uneasy feelings about the SDHA facilities. There's always something to be changed, or a little bit improved. I found everything was fine. The nurses were good and helpful. Quintard Hospital's facilities were clean and up-to-date. All the usual principles of good surgery were being practiced by the hospital, the nurses, the anesthetists, and everyone else. The usual hospital quality control committees existed. I served on some.

Huth: How were the doctors recruited? When they needed to recruit for the medical staff, where did they go? Did they advertise, or did they go out to medical schools to try to recruit doctors as the Permanente Medical Group did in the Los Angeles area? Do you know how it was done? Or did enough doctors come to the group?

Lewis: I think doctors came--some through advertisements, as I did.

Huth: And there were always enough coming that you didn't need to go out to find people?

Lewis: When I was chief of staff, whenever we got an inquiry--and some came through ads--I would send potential applicants a letter explaining what it was that we did, what sort of practice it was, what the hours were, what the remuneration and benefits were, and what it meant in tax-free dollars--in other words, in net income without expenses.*

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*List of Benefits for SDHA Physicians

Insurance: Life, disability, malpractice.
Medical Society Dues: County, state, American Medical Association, specialty.
Fees: Narcotic license, registration for education meetings.
Vacation: Eleven to twenty-two working days, depending on years with SDHA, one to four years.
Educational: Five to ten working days, plus up to two days travel, round trip.
Sick Leave: As necessary; five days salary, if no sick leave in one year--ranging down to one day salary for four days sick leave.
Incentive Retirement Program.
The non-taxable value of these benefits amounted to from $5000-6000.

Huth: In their operations did they have anything similar to the way that Kaiser's system was set up, for example, sharing being on duty on weekends?

Lewis: Yes. They took turns. If it was a one-man department, the doctor was on all the time.

Huth: You couldn't go out of the area, never could go out?

Lewis: Well, we would get somebody to stand by, if something came up. But being the only surgeon I didn't get away very often. That was the only hardship, but conditions improved in a few months.

Huth: All right. That describes one of the things that would be different from a private practice situation--being able to be relieved of duty on a particular weekend--having somebody else handle it. What can you tell me about what it was like when you came here? What was different from what you'd experienced before as a private practice physician?

Lewis: It was just practicing again, but practicing with a group rather than solo. It was to my liking. Patients' entire records were on hand as we've all the special studies. In-house consultations were available immediately when necessary, without the patient traveling to a doctor's office elsewhere in town.

Huth: Did you have more patients than you had before?

Lewis: Oh, yes!

Huth: More work, busier?

Lewis: Yes. When I came in they gave me an office and I didn't see anybody for about two weeks, until I caught up on patients who were waiting to be seen. Dr. Burak came in to say, "Hello," but the rest were also probably busy. I was given an excellent nurse, Vivian McAdow, who remained with me at Kaiser.

Huth: Was your day scheduled so you had a certain number of patients each day?

Lewis: Yes. I scheduled fifteen to thirty minutes for office visits, depending on the purpose of the visit. Time was blocked off for office and hospital surgery. Visits to hospital patients were made before and after scheduled office patients, which usually ran between 9 a.m. to 5 p.m.

Huth: How long was it before you had enough surgeons here?

Lewis: Dr. Myron Saltz arrived in January 1959. He too was board certified. We scrubbed with each other.

Huth: So if you had the time off, how did you use it? Was it used to further your medical education.

Lewis: Medical education doesn't necessarily mean attending formal meetings. Education goes on every moment with every patient, with other doctors in all specialities in the group, or at periodic general staff conferences and hospital meetings such as the American College of Surgeons, the American Public Health Association and others of which I was a member. I attended a few Wyoming State Medical Society affairs in Jackson Hole which was both educational and recreational.

Getting Involved in Management and Organization

Lewis: I got busier as I got more and more involved in the operations of the organization, particularly when I became chief of staff. I guess the matters that I talked about at our meetings before I was chief of staff might have been the reason that they voted me in as chief of staff.

Huth: You think that came about because of the concerns you had and the things you raised at the meetings?

Lewis: Yes.

Huth: What were these meetings? Were they regular once-a-week meetings, or once-a-month?

Lewis: They were once-a-week meetings--for lunch and to talk about the practice. Speaking about meetings reminds me of a one-time meeting I had with the board of trustees. A few months after I joined SDHA I sent a letter of resignation to the board stating that I didn't mind the heavy surgical workload, but I objected to doing it seven days per week without a weekend off. And furthermore, I wanted an increase in my starting salary. The board of directors called a special meeting, heard my complaints, and made changes that satisfied me, including a promise to add another surgeon. I had pointed out that the accepted ratio of general surgeons to population was one to ten thousand and SDHA's population was fifteen thousand and growing.

Huth: Did they ever do what I've heard that some of the Kaiser people do--have a buddy system, so that when new people came in there's a doctor assigned to them to help them out?

Lewis: No, no. I became orientated by exposure and asking questions about situations as they occurred. My nurse was most helpful. So was Dr. Burak.

Huth: So it took a while to get in, and get adjusted, and make a place that you felt comfortable in?

Lewis: That's right. It is always so in a new environment.

Observations After Joining the Association

Huth: What was your impression of the other surgeons and the doctors in other specialties as to their competence at the time you came in?

Lewis: Well, there were a couple about whom I had some doubts and one goof-off.

Huth: Did they last very long, these people that you thought were not fitting in very well?

Lewis: They were tolerated because their services were needed. There was no discipline. It was almost as if each doctor had his own practice, and was not part of the group. A solo private practice doctor is not accountable to any other doctor for the competence and conduct of his office practice. In a group practice the physician must meet group standards of quality and interpersonal relationships. Primum non nocere must apply within the group as well as to patients. There are always a couple in every group of people who don't carry their full weight. I found them in Permanente, too.

Huth: I suppose that's true of almost any occupation you go into. You're going to find that. Were there those who joined for some of the same reasons that you gave me, because they liked the prepay system? Were they all there because they liked the philosophy?

Lewis: I have no idea. I do not recall discussing it with anybody.

Huth: Were there any staffing problems; did they have enough people?

Lewis: There were enough people.

Huth: Was it just that some weren't particularly doing their job?

Lewis: That's right. And we didn't know what they would be like until they came and worked here. Although, when I was chief of staff I wrote to their references and specified certain things I wanted to know, such as their malpractice history, county medical society membership, alcoholism, drug addiction, congeniality, etcetera.

Huth: And this was when you were doing recruiting?

Lewis: Yes, as chief of staff.

Huth: Was the salary when you came here--that you were offered--comparable to what you would have had in private practice? Was it about the same, or different?

Lewis: It netted a little less than the private practice range reported in the county medical society journal in 1958 or 1959. Earlier in our conversation I mentioned the value of the non-taxable benefits SDHA physicians received that amounted to $5000-$6000.

Huth: We talked about the AMA and criticism by outside doctors. What effect did the outside praise or criticism have on the association and the services they provided. Did that affect what they did?

Lewis: They were ignored. It didn't affect anything. Everyone did what he had to do, and we hoped that they were all doing their best. There were plenty of doctors in fee-for-service who had the same problems: They're inadequate, they have emotional problems, drinking problems, they overcharge, they don't treat their patients right--there were lots of them like that, too. The San Diego Health Association and Permanente doctors have shortcomings, but so do the doctors in fee-for-service practice. But overall, my preference is for this type of practice rather than fee-for-service.

I always felt uncomfortable asking people to pay me a fee when they were sick, particularly if they were very sick. When I first started in practice it was very difficult for me to do that when I got referrals that required extensive surgery. These were sick patients, and sometimes the referring doctors hinted at splitting fees with them. I didn't like that at all. I didn't want to split any fees with anybody. I always felt uncomfortable asking people for hundreds of dollars when they were sick. It's like kicking someone who's down and out.

Huth: They've got enough problems already.

Lewis: They've got enough problems. Many had to raise cash because they were uninsured or insurance did not cover all expenses in the 1950s.

Huth: So the prepaid concept was a help in that way?

Lewis: Yes. More so than commercial health/sickness insurance.

Huth: Where did your members come from when you first came here? Was it open to everybody, or was it only labor union people?

Lewis: An enrollment department recruited families and individuals to join.

Huth: So it was open to anybody?

Lewis: It was open to anybody who wanted to join.

Huth: Were they primarily labor union people that joined?

Lewis: No. The first groups joined in 1959, recruited by the PSA [Physicians and Surgeons Association of Los Angeles]. Most groups were federal, state and city of San Diego, including school districts, and a few were labor unions.

Huth: Did the composition of your membership make any difference? Were they all working people.

Lewis: The majority were working people.

Huth: What did you find in SDHA that you didn't expect to find when you first came here--that really surprised you--about this medical plan?

Lewis: What I didn't find was an identity, like Kaiser Permanente has. What I wanted to do after I got here was to create an identity for the group as a whole--and the doctors, also. What kind of practice are we in? What are we trying to do? How are we going to do it? What are our projections for the future--not just for tomorrow? How could we develop pride in nurturing the concept of prepay group practice medical care?

Huth: Were those some of the things you brought up at these meetings--that impressed your fellow workers?

Lewis: Some things I presented might have depressed them or annoyed them. I thought we ought to look at our group in prepayment as a venture, as well as a livelihood. My proposals sometimes disturbed some of them.

Chief of Surgery, Chief of Staff, Director of Clinical Services, Trustee, and Management Team Member

Huth: What else can you tell me about your career here with the San Diego Health Assocation?

Lewis: Well, just that I was chief of surgery for a few years--

Huth: Could you tell me when?

Lewis: 1958 to 1964. And chief of staff from 1961 to 1964, and director of clinical services in 1964.

Huth: Was that two big jobs, one after the other? Were you director of clinical services just after being chief of staff?

Lewis: I became director of clinical services and someone else was going to be the chief of staff.

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Lewis: As director of clinical services my function was to coordinate the clinical activities in the hospital, in the medical offices at the hospital, and in the medical offices on Maple Street, and in the other medical offices that we planned for the future. There would be a responsible area chief at each location to coordinate its staff and services.

I was a member of the board of trustees from 1962 to 1964, and on the management team from 1961 to 1964, until the new board and new management was voted in by the charter members in November 1964.

Huth: We have your outline with dates, but there must have been a lot more to it than just a listing of each of these assignemnts, with dates. Do you have a list of what your duties were?

Lewis: Yes. The new president of the board, Mr. Stubbs, asked me to write down what my duties were. So I did. *

Huth: So the duties were considerable?

Lewis: It was a considerable amount, yes.

Huth: Is it possible to break it down into a few sentences, and then to also include that?

* See middle of page 102 and page 136-140.

Lewis: No. I can't really break it down into a few sentences. I can just give you a list of special activities that I thought were important. You shall also receive a copy of my letter to Mr. Stubbs.

Huth: Now, was this when you were chief of staff?

Lewis: Well, it started in 1961.

Special Activities, Including Group Health Organizations

Huth: Are these the duties that you had? [Dr. Lewis referred to a list of his activities.]

Lewis: No, these are extra-curricular activities, beyond clinical related duties.

In 1961 Dr. Howard Wayne and I established the Stevenson Research Foundation as a non-profit subsidiary of the San Diego Health Association, Incorporated. Both of us came up simultaneously with this venture.

Huth: What kind of research was that?

Lewis: We were doing clinical research for pharmaceutical houses. I was very interested in doing clinical studies on our patients. We had a wealth of material. I wanted data on diseases being treated, hospitalizations, complications, lengths of hospital stay, etcetera.

Huth: You would have had to keep good records.

Lewis: Yes. We would need good records for it. It would take money to do it, too. Pharmaceutical studies would bring in some income and perhaps we could get grant money to embark on the clinical studies I had in mind. The foundation functioned until 1965 when the new board denied us the use of SDHA for research.

Huth: You called it the Stevenson Research Foundation. Did you set up a foundation for collecting funds? Was that why it was called a foundation?

Lewis: Yes.

Huth: And where did the money come from?

Lewis: We didn't have any funds. We got a little bit of seed money from the San Diego Health Association to establish it. After that, whatever money came in came from some of the pharmaceutical work that was done. I did a study on Norgesic for postop pain control. I found that it did have some merit.

Huth: And you put it into a pot that was the foundation money?

Lewis: That's right.

Huth: And then was it non-taxable?

Lewis: It was non-profit. It was not taxable. Drs. Robert Burak, Howard Wayne, and I were officers of the foundation. I was president. In 1965 the new board of SDHA denied us the use of its facilities for research. The foundation remained dormant until it was dissolved in 1976. Its balance of $5400 was donated three ways to non-profit organizations selected by each officer, each of which received $1800. My $1800 went to the San Diego Kaiser Foundation Hospital Medical Library which put it to use for computerized on-line search of medical literature on behalf of the medical staff and other personnel.

In 1962 and 1963 I corresponded with several institutions which had undertaken prepayment programs with public welfare departments for welfare recipients. Then I proposed a SDHA program of our own with the California Department of Social Welfare. The San Diego County welfare administrator, Mr. Homer Dietrich, was impressed, as was the California welfare department. A three-party meeting in San Diego was set. However, Ralph Byrnes, SDHA's executive director, did not wish to pursue it because of the time and paperwork needed or for some other reasons of which I was unaware. It did not materialize.

In 1963 I started another project. As a small prepay service benefit program SDHA stood alone in San Diego. I felt we should make common cause with similar small groups of which there were many in California and throughout the United States. There was little chance that any of us small ones could become or would wish to become another Kaiser Permanente, or be anything more than a successful single community health care program. Therefore, I proposed the creation of WAHP, a Western Association of Health Plans, in California initially, and eventually throughout the western states or further eastward.

The plan had three objectives: 1. Publicize and boost development of prepay group practice; 2. Invite fee-for-service medical groups to add the prepay field to fee-for-service, or to switch to prepay only; and 3. Provide out-of-area medical care for each other's members at prepay rates.

Lewis: Some twelve to fifteen prepay and fee-for-service groups ranging northward in Los Angeles, Santa Barbara, San Francisco, and Sacramento were interested. Several meetings were held, but the project did not materialize. A few of the Los Angeles groups overlapped territorially and squabbled. The new SDHA board was suspicious of anything the former board did and would have nothing to do with it.

Incidentally, after SDHA became Kaiser Permanente, I suggested this concept to Dr. Kay.* The Kaiser Foundation Health Plan embarked on a similar program and it is now nationwide.

Huth: But you were active and busy and had these ideas of things that could have had some benefit, even if they did not develop.

Lewis: True. Better to have tried and lost than not to have tried at all. So I tried some more and lost again. I felt that we physicians and specialty departments should audit our office visits, hospitalizations, working hours, complications, infections, quality, and outcome of our care. Analysis of the factors, rather than guess work and self satisfaction with our performance, would enlighten us. No matter how well we thought we were doing we might be able to do better in providing health care at an irreducible minimum cost. SDHA had an IBM [International Business Machines] machine that could assemble the data. I started preparations in 1964, and it ended in 1964 with the advent of SDHA's new board of tyros and mismanagers.

I am reminded of another opportunity for me alone, that also came to naught.

Huth: What was it?

Lewis: California labor leaders established a California Council for Health Plan Alternatives. One of the alternatives it considered was development of its own plan of group practice and hospitals in competition with Kaiser for union membership. I attended a meeting of the council in 1965. Dr. Raymond Kay and Dr. Frederick Scharles were also present. I told them about the upheaval and new board of trustees in SDHA and the disastrous outcome I expected. I had been invited to the council meeting by Dr. Milton Roemer, professor of Public Health at UCLA [University of California at Los Angeles], a long time friend. He told me that I should be given consideration to

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*Raymond M. Kay, M.D. The History of the Kaiser Permanente Medical Care Program, an oral history interview conducted in 1985-1986, Regional Oral History Office, The Bancroft Library, University of California, Berkeley, 1987.

Lewis: serve as medical director of the prepayment plan the council was looking for. However, after a few years of cogitating the council did not come up with any alternatives and decided to heckle Kaiser and all medical practice in general.

Huth: Now, weren't they thinking of doing that in the LA area?

Lewis: Yes.

Huth: Dr. Kay was quite concerned about that at one time. They were also trying to run things for Kaiser, tell them how to manage the plan.

Lewis: That's just what they wanted to do in San Diego Health. In 1966 about three thousand Teamster [Union] members were pulled out of SDHA because the union demanded a disastrous reduction in dues and a hand in management, neither of which were given to them.

Huth: Were there any other activities to which you were giving time and attention while you were with SDHA?

Lewis: I was still an active practicing surgeon and kept up with surgical journals and attended most of the annual meetings of the American College of Surgeons and other surgical conferences. I was a member of the American Public Health Association and attended its annual meetings. I am still a voting member, but I don't attend meetings.

I testified and attended meetings of California legislative committees pertaining to health care. I collected a moderate library of books and articles pertaining to the health field and prepay group practice and especially a large number pertaining to the history of prepay medicine. I also corresponded with many people. I enjoyed my activities. It was thrilling to be part of the new movement in health and preventive medicine which I entered in 1958.

Coping with a Crisis: Decline and Insolvency

Huth: Now, what can you tell me about coping with the crisis that occurred here and how it happened?

Lewis: Early in 1964, shortly after we commenced construction of the future Stevenson Memorial Hospital, a rift developed in SDHA's board of trustees. This occurred from September through November 1964 and it led to the demise of the organization on December 31, 1966.

Lewis: In Setpember 1964 a board of trustees meeting was called at which only six of the ten memembers were present, which constituted a quorum to conduct business. Present were Dr. Antos, Quimby, McCracken, Ohm, Dr. Burak, and me. The first four named trustees voted a motion to suspend Ralph Byrnes, the general manager, for misappropriation of funds and mismanagement. Ralph Byrnes was absent on vacation and therefore had no chance to speak for himself. It smelled of conspiracy.

Dr. Burak and I voted against this motion. We predicted dire consequences for SDHA unless Byrnes was permitted to manage during an investigation of their charges. Burak and I didn't object to an investigation.

It was my opinion, from other things that had taken place, that the board of trustees who voted for suspension wanted Byrnes out for personal reasons. The dissident board members had selected an attorney, James Hewitt, who filed suit to prohibit Byrnes from carrying out his managerial duties, and requesting the association's books and records. I also heard that the union employees were bitter against Byrnes for fighting union employees' demands, and for requiring the adequate performance of their duties.

With the board divided into two groups of five each, all necessary management decisions were stalled. A few doctors sided with the dissident board members, and so did many of the employees, but most doctors remained neutral and confused.

In addition to the charge of misappropriations, they were also suspicious that there was something funny about the hospital construction and about the Western Association of Health Plans. Their investigation later proved that it was just a figment of their suspicious imaginations.

Huth: They thought it was siphoning off money?

Lewis: Yes, but that was untrue.

Four trustees sided with Byrnes and five, including Dr. Stevenson, were opposed to him. The matter was settled by both sets of trustees agreeing to the appointment of an eleventh trustee, who called for a vote by the SDHA charter members. On November 24, 1964, by a vote of 629 to 378, the incumbent board of ten was replaced by a new board of seven which included Antos, Quimby, and the slate of their choice--the dissident's board. Antos and Quimby reneged on their promise not to be on a new board. So out went the experienced board and management, and in came the inexperienced, and downhill went SDHA.

Huth: How did the members know how to vote?

Lewis: I guess the dissidents' appeals to the charter members were more convincing than ours.

Huth: And you continued to work there along with the others on your side, even though you were defeated in the vote.

Lewis: Yes.

Huth: Was it difficult? Were there problems?

Lewis: Not really. The new management didn't ask Burak and me--and we were the only ones of the former management remaining--for information, let alone advice. It was either Stubbs (the new board president) or Hewitt (the lawyer) who called all the medical staff individually to his office to sign a document praising Dr. Antos and offering regrets for mistreatment. I told whoever it was that I would not sign because the statements were untrue. Dr. Burak told me he didn't sign. All the other doctors did. I expected to be terminated.

Huth: But you weren't.

Lewis: Burak and I weren't.

Huth: What else can you tell me?

Lewis: Stubbs asked me to provide him with a list of my duties and functions as the chief of staff. I sent him a five-page letter.

Huth: Did Byrnes come back?

Lewis: No, he never came back. He was persona non grata--an enemy.

In February 1965, just a few months after the radical change in the board and management, Dr. Stevenson died at age seventy-nine. Hospital construction was completed on time and opened in May 1965.

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Huth: How did SDHA become insolvent? What caused their money problems?

Lewis: Beginning the day the new board took control, November 24, 1964, SDHA headed in a downward course to insolvency. I am sure this would not have happened if our recommendations for the board had won charter member approval. That board probably would have reinstated Byrnes and the management team. Without Byrnes as general manager, SDHA was doomed.

Lewis: There were many contributory factors leading to insolvency as of December 31, 1966, and merger into Kaiser Permanente:

1. The conspiracy to remove Byrnes and the management team by the dissident board members Antos, Ohm, McCracken, and Quimby.

2. The new board was not knowledgeable about SDHA's administration, business, health affairs of our type of practice, hospital projections, and future planning. The new board had to start from scratch.

3. In November 1964 SDHA had a bank account of $150,000-$200,000 and $12,000-$15,000/monthly net profit. The new board issued a statement in December 1964, signed by all seven trustees, quote: "The financial situation of SDHA, from all present indications, is excellent." In other words, SDHA was solvent.

4. The cost of the September through November imbroglio was said to have been $85,000.

5. Discontinuity of management. SDHA functioned without an experienced general manager for four months, although Quimby had been appointed interim manager. It was rudderless.

6. Fred Tennant, formerly regional manager of the Northern California Kaiser Foundation Hospitals, was installed as general manager in April 1965. In July 1966 he resigned because of interference with his managerial authority. Incidentally, the hospital administrator, William Wagstaff, resigned because Tennant interfered in hospital administration. During Tennant's tenure a controller, a Mr. Eugene Ageno, was employed (April 1966) and he later replaced Tennant.

7. It was rumored that shortly after the change in board command, the new seven-member board, in the fashion of 'big time operators,' was holding weekly dinner meetings on SDHA matters at the private Cuyamaca Club at SDHA expense. Our board meetings were customarily held in the Maple Street medical office building.

8. In December 1964 the new board discontinued contributions to the Physician Incentive Program.

9. Legal fees: Lawsuits for $400,000, $350,000, and business creditors unpaid. Suppliers demanding C.O.D. and discontinuing delivery. Mortgaging facilities and equipment. Payrolls not met. Bank taking over accounts receivable. Financial statement for the year ending 1965 disclosed finances were critical. November 23, 1966, Mr. Stubbs told the subscribers that $400,000 was urgently needed and requested donations of $50 or more.

Lewis: 10. Sharp increase in salaries for the medical staff and union employees.

11. Low hospital occupancy--below break-even level.

12. Other miscellaneous expenses.

In December 1966, the association's charter members, Kaiser Foundation Health Plan, and the Southern California Permanente Medical Group agreed to accept SDHA, it's assets and liabilities--I don't know how much they were; someone said $2.2 million--and to accept the San Diego association's members, employees, and physicians who wished to remain. Now, I don't know what it cost Kaiser to take on this, but they got entry into a going organization, with buildings, with a staff, and with a clientele.

Huth: You don't know how much they put out in funds?

Lewis: No, I don't know. But whatever it was, it was well worth it to them to come in and not have to start from scratch. Besides which, I think that the San Diego area has turned out to be the most outstanding of all their areas.

Huth: In what way?

Lewis: In many respects. Financial, and functional, and in innovations.

Huth: So they ended up benefiting?

Lewis: Yes. On December 31, 1966, the last day of San Diego Health Association, there were 29,383 members, less approximately 8,000 federal, state and teamster members who did not reenroll. So on January 1, 1967 Kaiser Permanente assumed control of about 21,000 members.

Huth: So there we are with the beginning of the story that we'll continue now.

Personal Observations on the San Diego Health Association Years

Huth: Before we get into the Kaiser Permanente story, what closing remarks do you have on SDHA?

Lewis: The origin, development and evolution of prepay group practice in the U.S. from its earliest forms of contract medicine, benevolent lodge practice, and retainer fee services to its current health maintenance

Lewis: organization [HMO] types has interested me. Many such practices have been reported, and the names of their originators, but never have I seen SDHA and the names of its founders given the recognition and the prominence they deserve. Therefore, I call attention to Dr. George Roy Stevenson and a lay person, David William Parmer, and their pioneer organization, the Beneficial Society, which appeared in San Diego in 1935 and evolved into the San Diego Health Association.

I would be pleased to see their photographs, which I shall give you, appear in this publication. *

SDHA had the potential for becoming a great institution in the image of Kaiser Permanente and famous medical clinics, such as Mayo. That was my dream, and probably Stevenson and Parmer dreamt it too, but internal and external forces brought it to an ignominious end on December 31, 1966.

I also wish it to be known that the lawsuit brought by the Complete Service Bureau against the San Diego County Medical Society was an important step in establishing the legitimacy of prepay group practice. The judgment of the Supreme Court of California in favor of CSB has been quoted in several articles and was especially prominently reviewed in the Minnesota Law Review 42:527-48, March 1958, titled "Group Health Plans, A 20 Year Legal Review."

May I continue with a few more comments about SDHA?

Huth: Yes, please continue.

Lewis: Part of SDHA invsolvency has been attributed to the hospital not paying its own way because of low membership--insufficient to bring in income. That is true. But actually SDHA was a victim of its hospitalization competence and ouster of its general manager, Ralph Byrnes, and management team, resulting from the board of trustees imbroglio in 1964.

In the 1960s the recommended beds per one thousand population ranged from three to seven, and the most common set at four beds per one thousand. SDHA's population membership in 1966 was a few hundred short of 30,000, which would have justified a 120-bed facility. In 1962 and 1963 SDHA's hospital admissions were 0.82 and 0.85 beds per one thousand. Our bed days in the same two years were 301.5 and 315.97 as compared with our community's one thousand plus days per one thousand population. In May 1965, when the hospital opened for business, our membership was in the 25,000 range. In December 1966, it had risen to 29,000. The ex-management had projected 40,000 members sometime in 1968. Break even income for a fifty-bed acute hospital is thirty-three bed occupancy and SDHA's occupancy for its 40,000 members would have been forty beds.

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*Dr. Lewis has Mr. Parmer's photograph.
Dr.Stevenson's is on page 79a.

Lewis: May I proceed with another item of interest?

Hugh: Can you tell me about it in a few words?

Lewis: Just a few minutes will do.

In 1963 the AFL-CIO Central Labor Council of San Diego proposed building a $70 million retirement community about seventy-five miles north of San Diego on present-day Interstate Highway 15. Five thousand single family homes were planned. Construction was scheduled for 1964, and SDHA had been selected to provide on-site medical services.

John Quimby, a member of the SDHA board of trustees, was secretary of the Labor Council, and probably recommended this coup for SDHA. However, the project never progressed to fruition. I don't know why.

Huth: Shall we proceed to another subject?

Lewis: Just a few more minutes for something very personal and warm about this doctor's relationship with some patients under the SDHA. It has been a great sense of satisfaction to me when some "old timers" patients of five, ten, and even twenty-five years ago, encounter me within the walls of the medical center on Zion Avenue near Mission George Road, or in its parking area or in a supermarket or shopping center, and say "Dr. Lewis, remember me?", which I don't. "You operated on me" or on a family member. One said to me recently, "You have lost weight, but I have never forgotten you."

Another, whose back was literally littered with moles, and from which I removed a melanoma about twelve years ago, was still having color photos of his back annually, as I had advised him, for early discovery of malignant melanomatous change. And there was a mother of two whom I had treated as a child for 35-40 percent second and third degree burns, who proudly showed me some of her scars. And there were others.

Huth: What happened to Mr. Quimby after SDHA was absorbed into Kaiser?

Lewis: He became administrator or manager, or whatever the title of the Small Business Administration [SBA], for San Diego and Imperial counties.

Huth: And what about Dr. Burak?

Lewis: He joined Permanente, then went into private practice in Alpine, which is a rural town east of San Diego, then to Pennsylvania in practice with his brother, a urologist. Eventually, he retired to Florida. In fact, I had a long conversation with him by telephone, a few weeks ago. He had been on the SDHA staff since 1949, and he helped answer some of my questions about its earliest history.

VIII KAISER PERMANENTE COMES TO SAN DIEGO, 1967

Assistance from the Southern California Kaiser Permanente Leaders

Huth: I've heard your side of the story of how Kaiser came in. I thought you might be interested in a brief summary of Dr. Raymond Kay's story about Kaiser coming down and what their thinking was.

Lewis: I was hoping to hear about it.

Huth: He told me that the Southern California Permanente Medical Group accepted the San Diego Health Association on an eleven to nine vote. Actually, he said it was very, very close. His director of laboratories, Dr. Jack Gordon, was away in Denmark buying a piece of equipment for the labs, and he left his vote with Dr. Kay as a proxy vote. So Dr. Kay used that, and that was the vote that swung it. Otherwise, it would have been tied, ten to ten. He said--the way he puts it, "Some of my guys never forgave me for that, and they also didn't like Jack Gordon's leaving his vote like that."

Lewis: Well, it shows how little confidence they had. They were a successful organization which had expanded throughout the Los Angeles area. I would have expected them to seize the opportunity to expand in all directions--radiating out from Los Angeles.

Huth: They were worried, though, about it draining resources.

Lewis: While we down here, with our little organization, were confident our Western Association of Health Plans would spread statewide.

Huth: You obviously had more confidence than they did.

Lewis: Here in San Diego, many SDHA members and medical staff were awaiting the results of the medical director's vote in Los Angeles. When it was announced that the merger had been approved, everybody applauded. Everybody was relieved--the members, the doctors, and I, too. We were told it had been a close vote.

Huth: I'll bet.

Lewis: What did it cost the Kaiser Foundation Health Plan to acquire SDHA? I have heard it was about $2 million.

Huth: I couldn't find that anywhere.

And then Dr. Kay said that the Southern California Permanente Medical Group inherited the staff that was here, and that they kept some of the staff, that the existing staff had to meet Kaiser Permanente's requirements, that some of the doctors left, and that those who stayed worked out very well. They said that they were very pleased with the whole operation. How was it when the Southern California medical group came down to take over? Who were the people that left, who were the people that stayed, and how was it working out with the Kaiser Permanente staff that came down?

Lewis: Dr. Buck Wallin became medical director down here.

Huth: Dr. Wallin actually worked here, then?

Lewis: Yes, he worked here full-time. He brought a couple of doctors down with him. Several visited for a day or two, from time to time, during the first year or two, to assure departmental functioning the "Permanente" way.

Huth: Did he stay a year or so?

Lewis: Oh, he stayed for several years.

Huth: Did some of the doctors who came down stay permanently?

Lewis: Coyt Payseur, Richard Mackey, and Tom Campbell come to mind. Very few, if any more.

Huth: Dr. Kay said that only a few came down from the Los Angeles area because this group that was here had already attracted doctors who liked the Kaiser Permanente style of medical service. So that it wasn't a big thing as far as they were concerned.

Lewis: The practice styles of SCPMG and SDHA were essentially identical. It was just changing from one name to another, that's all.

Huth: Dr. Kay said that when Kaiser Permanente bought the existing hospitals and clinics, they began plans for a permanent medical center right away, and they did this with the help of Dr. Harry Shragg, for planning ahead for what they were going to do with the hospital.* In the meantime, did they use the temporary scattered facilities that you talked about?

Lewis: We weren't scattered in 1967. There was the Maple Street clinic in the city and the Stevenson hospital and medical offices complex in La Mesa--about fifteen miles apart. Additional offices and hospital rooms were added at the Stevenson facility, just as we at SDHA had planned. It scattered later, after 1970, with offices rented in the Lake Murray Medical Center, and several floors in the Veterans Administration building in Mission Valley were rented. Construction of the KP Medical Center hospital and medical offices did not commence before 1971 or 1972, and these were occupied late in 1974.

Huth: But then they did have rapid expansion.

Lewis: Very rapid, and still more rapid.

Huth: And they've ended up using all of their facilities. They haven't closed any of them that they had at the time they took over, have they?

Lewis: No.

Huth: Dr. Kay said that the Southern California Permanente Medical Group was afraid that the San Diego takeover might be unsuccessful, but the health plan--that's the overall Kaiser Foundation Health Plan--agreed to absorb any losses. But then he said it turned out that there was no problem; San Diego was well-managed, and it paid its own way the first year, and contributed every year after that, too. So apparently it turned out to be a really good idea.

Lewis: That KP paid its own way its first year in San Diego is most interesting. As I said earlier, the San Diego Health Association had about $150,000 banked and was netting $12,000-$15,000 profit monthly until September 1964 when new management ousted old management. New management went bankrupt in less than two years with 29,000 membmers. KP, starting with 21,000 SDHA members in January 1967, paid its own way the first year. No question that the new SDHA management, which assumed control in November 1964, was guilty of mismanagement.

Huth: Yes. That really makes it look suspicious.

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* Harry Shragg, M.D., The History of the Kaiser Permanente Medical Care Program, an oral history interview conducted in 1986, Regional Oral History Office, The Bancroft Library, University of California, Berkeley, 1987.

Recollections of the Rollover into Kaiser Permanente

Huth: Now, we're ready to talk about your some ten years of service here, from 1967 until you retired in November 1976. What were your responsibilities after Kaiser Permanente came in? Did you have a change in jobs? In what way did it affect you?

Lewis: It didn't affect me any; I just became a practicing surgeon and temporary chief of the surgical services. I served on committees--the tissue blood bank, infection, and other committees--from time to time.

Huth: Had you had committees like that before?

Lewis: Oh, yes.

Dr. Wallin kept things very close, and he was a good listener to the things that people had to say. But he didn't make any changes.

Huth: Do you think it was probably wise that no great changes were made, that you continued to pretty much run along as you had before? Did that seem to be the way to do it with a new group coming in?

Lewis: Dr. Wallin had come down, he said, just to get the thing running. He was more interested in just getting it to run smoothly--the Permanente way. And I guess changes were made in connection with any emergencies or special situations that arose.

Huth: Who were the people that stayed, and what kinds of doctors left?

Lewis: There were twenty-four or twenty-five SDHA doctors at the time.

Huth: But in your opinion, do you think most of them stayed?

Lewis: Most of them stayed, yes--at least sixteen. After joining the SCPMG [Southern California Permanente Medical Group] some left and some were terminated.

Huth: Did you ever hear any of them say why they left?

Lewis: Those who left voluntarily did so because they wanted to go into fee-for-service practice--to make more money and get out of the group practice bureaucracy.

Huth: Did the money change? Did the salary or wages change?

Lewis: They were slightly reduced, but there were other benefits that came along, side benefits that were better than we had in San Diego Health.

Huth: Were some of those other benefits things like the retirement program?

Lewis: The SCPMG retirement program was much better.

Huth: Were there some better things in connection with time to do your research and education in your field, or did that change? Was that pretty much the same?

Lewis: It was pretty much the same.

Huth: You said that you already knew about the Kaiser Permanente Medical Care Program and you had already written to Dr. Kay?

Lewis: Yes.

Huth: When they came down did they individually interview the doctors and talk to them, or was it done in a big meeting?

Lewis: I think it was all in a meeting. I don't think they approached anybody individually except, perhaps, Dr. Johnson, who had been SDHA's last chief of staff--Myron Johnson.

Huth: So he was the one that they dealt with.

Lewis: Yes. I'm going to have to ask Dr. Johnson about that one of these days.

Huth: Where is he now?

Lewis: He retired from SCPMG at the age of sixty-two. He's living here in San Diego.

Huth: What did your wife think about the decision to join the Kaiser Permanente program? Did she have any thoughts about that?

Lewis: Of course she had thoughts about it.

Huth: Did she think that was a good idea?

Lewis: She thought that it was a good idea--so that we didn't have to get uprooted again and for me to start anew at my age. Nevertheless, in September 1966, a few months before I expected the end of SDHA, I arranged to go into private practice in the city of Chula Vista, several miles south of San Diego.

Huth: You have said there weren't any things that were different for you after Kaiser came in. Were there any big shifts in any of the other specialties?

Lewis: No.

Huth: So it went pretty smoothly. Were there any surprises for you?

Lewis: I can't recall any surprises. I'm never shocked at surprises any more. I always expect them.

Huth: They had a vote on the Kaiser side to accept you. Did you have a vote on the San Diego Health Association side as to whether or not you would join them, and, if so, do you know how that vote went?

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Lewis: No vote was taken. Most of the twenty-four or twenty-five doctors indicated informally they would accept KP's offer of employment and partnership in two years. A few said "No," and some vacillated.

As I said, SDHA physicians were individual contractors, not partners. In 1963 Ralph Byrnes, Bob Burak, and I discussed reorganization of SDHA into a health plan which would contract with a formal medical group to provide office and hospital medical services, similar to the KP model.

Huth: Was there any immediate change in the facilities, like remodeling, or did it take a while?

Lewis: Not immediately, but in time the Stevenson Hospital, now the Kaiser Foundation Hospital, was remodeled with more offices to accommodate more physicians, first on the upper level, and then on the lower level. There was an enormous beautiful lobby on the upper level, which eventually shrunk to a narrow walkway. Also, the hospital was expanded with thirty-five new beds a few years later.

Huth: Was there any controversy over this remodeling? Was anybody so attached to what they had that they felt badly about it?

Lewis: No. When the hospital medical center on Zion Avenue opened in 1974, the Stevenson Hospital was converted into offices--all of the hospital rooms and the surgeries. I don't know how many doctors they have out there now, about thirty in family practice and a few specialties, plus RNs [registered nurses], PAs [physician assistants], pharmacy, lab, etcetera.

Huth: Considering the organizational plan that SCPMG has and the way they set up their partnership--with the doctors completely separate and running their own medical services--it's like running your own practice of medicine without any interference from the health plan. Do you think that the problems that you had with your board of trustees might have been averted, had you had something like that where the doctors were separate?

Lewis: No. SDHA's pre-1965 board of trustees and management team were doing just fine. The trustee controversy in September 1964 brought in a new inept board and management, which incurred large expenditures ending in insolvency. If KP had the same situation, it too could have foundered.

Huth: Were there any of the Kaiser people that you met because of becoming a part of Kaiser Permanente--I have several names that I want to ask you about. Did you ever meet Dr. Raymond Kay? I know he came down here.

Lewis: Oh, yes.

Huth: Did he consult with you about the take-over, about Kaiser Permanente coming in?

Lewis: No. We had talked about it at one of the meetings that we both attended in 1966. I spoke with him and with Dr. Frederick Scharles. In July 1966 Dr. Kay requested me to provide him with a list of our full time medical staff, their tenure, salary and board certification status--which I did.

Huth: Did you ever meet James Vohs?

Lewis: Yes, and also at some of the meetings. I believe he was aware of my approach to Dr. Kay.

Huth: I know he was the southern California regional manager. Did he ever have anything to do with the changeover?

Lewis: I don't know.

Huth: Or Karl Steil?

Lewis: No, I never met him.

Huth: He was regional manager, and this was part of his region. Did you meet Paul Steil?

Lewis: No.

Huth: Did you ever meet Henry Kaiser or Edgar Kaiser?

Lewis: No.

Huth: How about Harry Shragg?

Lewis: No, I didn't meet him. I gave a talk about workman's compensation at a meeting that all the associate directors attended. Perhaps I met him there.

Huth: Were there any of the people from up there that you--any others that I haven't mentioned? Do you have anything else you might want to say about Fred Tennant? Did you know him?

Lewis: No. I had very little to do with him, if anything.

Huth: Did you ever meet Sidney Garfield?

Lewis: No.

Huth: You knew, of course, that he was the one whose idea this prepay plan was?

Lewis: Yes. I knew about that.

Huth: Did you ever hear anything about any of the problems in northern California at the time that they brought in someone else to replace Dr. Garfield? Was there ever any discussion of that?

Lewis: Someplace, somewhere, I read something about it.

Huth: And it didn't affect the San Diego area in any way.

Lewis: Not that I know of.

Observations on Events When Kaiser Permanente Took Over

Huth: We talked earlier about the opposition of the American Medical Association, and you said it continued with a lot of the doctors down here. Was there any evidence that this feeling was any stronger after Kaiser Permanente came in here?

Lewis: No. It wasn't any stronger in general. A small number of doctors felt very, very strongly about it. Many were worried about the competition; they just didn't like this type of medicine. They considered it socialistic. Gradually, as the older men died off, there was less and less opposition, although there are a few left who still have an antipathy towards prepay group medical practice.

Huth: It probably will eventually die out?

Lewis: With them, yes, but not before.

Huth: Do you have any impressions from your meetings with Dr. Kay about him, and about him as an administrator? Were you ever able to make a judgment about him?

Lewis Well, I liked him. I liked the way he talked and the things he talked about.

Huth: In the later years, probably from about the time that they came down here, the doctors serving in the Permanente medical groups have worked with the health plan and the hospitals under what they call a "team partnership approach," all in one joint venture. Do you think this is an accurate description of the way that works, in which you have a health plan and you have the hospitals with separate managers, and then you have a medical director directing the doctors. Do you think that's effective teamwork?

Lewis: I think it is, yes.

Huth: Is it any different from the San Diego Health Association, the way that worked? Was that also teamwork?

Lewis: Yes. SDHA had teamwork, probably better than KP. It had fewer layers of hierarchy. Everybody knew everybody, and knew almost everything that was happening. Problems and foul-ups were easy to spot.

When Dr. Herb Sorensen was associate medical director of the San Diego area, I suggested the creation of a "hot line" phone number for use by personnel who thought some matters needed special or prompt attention. The message was dictated on the "hot line" to the chief administrative clerk in the director's office. The action taken was reported back to the sender, usually in typed form. The "hot line" could resolve problems and snafus.

Huth: It's said that there's a formal organization that's set up with the health plan, the hospitals, and the doctors, and a hierarchy of leadership. And then that there's an informal organization that supplements and supplants it--that there are informal ways of getting things done. Now, were you aware when you were here of the informal way in which you could work in this organization? "Informal" means going to the person that can get it done--sort of directly--without worrying about whether it's a chain-of-command type thing or not. It's said that that works in the Kaiser system.

Lewis: I like to work in the chain of command structure. It is essential to good management, but the chain can be binding and prevent innovation and improvement. Not infrequently, the chain isn't linked very well or some individual links are flawed.

From my past administrative experience, I expected SCPMG would have a chain of command but would also have a degree of informality in doing some things differently, especially if there was no rule against it. If there is little or no objection to an innovation, it is usually accepted and becomes SOP--standard operating procedure. I developed several deviations from customary practices during my residency training, my army service in World War II, at SDHA, and at SCPMG.

Huth: Well, with this use of teamwork it's pretty important to have good team morale, and everybody working together for a common goal. How and in what way did you work for the betterment of the team morale--the working with the team? What was your philosophy? Perhaps you have already told me; you said you liked the chain of command, and it didn't bother you that there was somebody there structuring things.

Lewis: Well, when I got on committees I tried to see if what we were doing was good or bad, and if there were any changes that could be made. I came with prejudices about certain things, and if opportunity permitted, the committee could make such changes, or try to make them. That was the way I worked with the chain of command. They were in command so I obeyed it, and wherever I could make a change or try to get a change made, I would try to go to someone who could possibly do that.

Huth: Did they have some system set up so that when people wanted to try things it was possible to do it?

Lewis: I didn't find it that way. Most everything one tries to do here met resistance, either by the doctors on the same level as me, or by someone at a higher level.

Huth: Was that more true after Kaiser came in?

Lewis: Oh, I am talking about Kaiser now.

Huth: Was that more true after Kaiser came in?

Lewis: Well, it was the same sort of thing. But with San Diego Health, at least I was in a position where someone would come to me with ideas, and I could make the decision about it. If I had my ideas I could try to pass them on. Every manager always does that, and tries to get people to do what he thinks should be done within bounds or by reason of listening to it. And we're always beset by other commitments that the person wanting to make the change doesn't know about. And I think the same is true over here [at Kaiser Permanente].

Personal Accomplishments While Working Within the System

The Blood Bank Committee: A Conservation Program

Huth: What can you tell me about your work on blood banks?

Lewis: This bit of business could be titled, "Blood Conservation Program." The Blood Bank and Transfusion Committee, of which I was a member, approved my suggestion to audit our transfusion practices. The study commenced in 1971 and was still ongoing in 1976.

The results were amazing in conservation of blood and expenses. Less units of blood were ordered from the county blood bank to be stocked in our hospital blood bank. Less units were ordered to be on hand in the operating suite. Less units were transfused. Single unit transfusions were almost eliminated.

A blood donor does not receive a transfusion for the single unit donated. Packed red blood cell transfusions replaced 80 percent or 90 percent of whole blood.

Other benefits of the program were minimization of transfusion reactions, reduction in transmission of viral diseases, and freeing up blood for surgical seperation into components, such as platelets, albumen, specific immunoglobins and blood factors useful in treatment of blood disorders. I devised a data form used for each inpatient and outpatient for whom blood had been ordered, whether or not transfused. The primary

Lewis: discharge diagnosis and operation or procedure was recorded. The laboratory blood bank added the number of units ordered, transfused, not transfused, cross-matched or not, transfusion reaction, etcetera. All of this information was tabulated and evaluated. It was reviewed by the committee, then released to the pertinent clinical department with committee comments and recommendations and a request for departmental comment.

Huth: You were able to do that because you had some time and money allotted. It was a research project, isn't that right?

Lewis: The day-to-day supervision of the collection, tabulation, and evaluation were in my hands. No, there was no time allotted to me. I did it during office hours with patients, lunch hours, half day per week education time, and at home. All my other projects were on my own time, except worker's compensation undertakings, where problems had to be investigated and settled all day long. A part-time person was assigned--grudgingly--to the blood study, but at least she was competent.

A slide presentation of the findings was made at a monthly general staff meeting in 1972. Dr. Tom Campbell, our hematologist, was also a speaker. His topic was, "Transfusion is Never Indicated."

Dr. Wallin, our associate medical director, sent me a letter of thanks and appreciation. Dr. Dick Snyder of the Los Angeles Kaiser Foundation Hospital's blood bank, sent me a note of praise from himself and the Department of Pathology. The San Diego County Blood Bank, to which we and all SD [San Diego] hospitals reported data monthly, invited me to present our methods and findings at one of its meetings.

Huth: Did you?

Lewis: I agreed to appear, but had to cancel.

Two Special Projects: A Post-Delivery Questionnaire and Length of Stay Analysis

Huth: Were those ten good years?

Lewis: Yes, plus a few more years after retirement--active in industrial medicine, and a few more years of consultations with Dr. Arnold Markman, my excellent successor. Several of my projects were beneficial without compromising quality of care. In fact, the quality was improved.

Lewis: During my army service in World War II, which was 90 percent administrative, I would act on my ideas without asking for approval. If my superiors criticized me, I apologized. The same in San Diego Health and Kaiser Permanente. Most turned out acceptable; few were criticized. Only twice in Kaiser Permanente.

Huth: What two?

Lewis: One was a trial post-delivery questionnaire to assess the occupational environment of employed women as a factor in birth defects. It had been initiated without prior approval of the obstetrics department. They were right. I apologized, but the department should have joined me in the study in which I planned to include the household environment and personal habits of both working and non-working mothers.

The second study involved a reduction in the average hospital length of stay [LOS] by at least one day. In 1970 or 1971, at a general staff meeting, I presented an analysis of the five commonest operations by the five surgeons in our department. My average LOS was half of the average LOS of the entire department. With the aid of the hospital administrator, Lynn Boose, we projected that a one-day average reduction of all hospital admissions that year would have generated a reduction in hospital costs of about $500,000, I believe. A year or two later my request for a computer-assisted study of LOS was approved by the entire general surgery physicians and Mr. Boose, but the upper regional echelons did not concur.

An Admissions Audit of Surgical Patients, Reduced Hospitalization, Early Discharge, and Non-Admission Ambulatory Surgery

Huth: Tell me about your experiences as part of the Southern California Permanente Medical Group [SCPMG] which were personally satisfying.

Lewis: Some were economically beneficial, others improved the quality of care, some did both, and that was satisfying, even as I recall them now with you. After ten to twenty years my recollections will be hazy and uncoordinated, but I'll try.

The very first at KP was in 1967. Several surgical types of practice from the San Diego Health Association [SDHA] were bundled together into one surgery department. I initiated a monthly audit of our hospital admissions and discharges.

Huth: KP took over in January 1967 and you initiated an audit then?

Lewis: Yes. I kept score, the same as I had done at SDHA, of the hospitalization and office practices of all the medical and surgical specialties.

Huth: What can you tell me about what the KP audit covered?

Lewis: I won't give the details, but the general thrust of the audit. It was a retrospective analysis of ourselves, individually and collectively, and a comparative analysis with Kaiser and non-Kaiser hospitals for the purpose of developing prospective criteria pertaining to all aspects of hospitalization of surgical patients, including length of stay [LOS], professional performance, and quality of care.

Huth: Did other departments adopt this sort of analysis?

Lewis: I don't think so. We did not broadcast our findings. Each department probably audited in its own way. However, a similar program of minimum criteria for diagnosis and hospitalization of general surgery ailments was installed regionally in 1974 or 1975. Better late than never!

Huth: Why were you interested in hospitalization?

Lewis: Patients are frightened by the hospital environment. It is conducive to worry, loss of sleep, assorted noises, unpalatable food, claustrophobia, cross-infection, mystery, etcetera. Overutilization (unjustified admissions) were also in my mind. As early as the 1950s I saw reports of overutilization as high as 10-15 percent of admissions. I learned that I could discharge patients sooner than had been my practice. Thus began my RHED program--reduced hospitalization and early discharge--and the motto: "The patient is better off by treatment on the hoof than between the sheets." It was in tune with the prepay group practice movement that evolved into HMOs across the nation.

Only the Department of General Surgery was studied. My requests for extending the scope and the departments were turned down at higher echelons of management. My findings were presented at two meetings of the entire medical staff, if I remember, in 1970. The topic was listed as LOHS--length of hospital stay. Later, I dropped LOHS in favor of early discharge, which described how to lower the LOS, as does reduced hospitalization in the RHED acronyn. One of the surgeons commented that LOHS stood for "lower our hospital standards." I gathered he did not approve of the RHED idea. There are few alternatives to reducing hospitalization.

Lewis: In 1971 I started admitting patients for elective surgery on the day of surgery, a few hours instead of eighteen to forty-eight hours preop [preoperative]. I reasoned that since it was acceptable to operate on acute emergency patients within a few hours after admission, it should be acceptable to admit patients for elective surgery on the day of surgery a few hours preop, instead of eighteen to twenty-four hours. Day of admission surgery reduced hospital stay one to two days, sometimes three, plus other benefits. The anesthesiologists were opposed at first, but soon it became routine in the San Diego area. I believe it became regional policy in 1986.

I never came across any reference to day-of-surgery admissions in medical literature. I did not report this concept, but I presume that somebody somewhere had the same insight and didn't write it up.

Another method of reducing hospitalization is in-hospital treatment, without admission to the hospital of selected operations and procedures. In 1959 SDHA's newly constructed medical office building on Maple Street contained an operating room and a five-bed recovery room. A select few conditions were treated there to reduce hospitalization. Later, when our membership increased, we contracted with an accredited hospital for ambulatory surgery in the OR [operating room], without formal admission.

A limited volume of ambulatory surgery was performed after KP took over SDHA and its seventy-bed Stevenson Memorial Hospital. When a new wing of thirty-five beds was added a few years later, I pushed for more ambulatory surgery and other surgical and medical procedures. Currently, hundreds of operations and procedures are accepted or mandated for in-hospital treatment without admission to the hospital, by KP and nationwide, by Blue Cross, by the California Hospital Association, and by other insurance carriers. KP Portland has their DNA [do not admit] program. Ambulatory surgery should not be confused with office surgery which it is not.

Huth: You have explained the reduced hospitalization and your RHED research. How about the early discharge? People need a certain number of days to recover from an operation. How can they be discharged before they are ready?

Lewis: Patients are ready when they are ready. So let me tell you a patient's story. In 1957, when I was in private practice in San Mateo, I did an acute appendectomy one morning on a young woman. I expected to hospitalize her for several days, as was my usual custom. That evening she told me she would be leaving the next morning because she had to take an important written examination. And leave she did, after signing an "against medical advice" release. She came to my office for suture removal about six days later. She had returned to work as a typist.

Lewis: Patients and physicians have an attitude of "think sick" instead of "think well." Ever since, I have promoted "think well," and discharged patients as early as three days after uneventful cholecystectomy and modified radical mastectomy and other major operations. The patient gets out of the forbidding hospital environment. I met one cholecystectomy patient in a supermarket ten days after surgery. I had advised no shopping for three weeks when the tensile strength of the incision would be 80 percent complete.

Economically, early discharge furthers the prepay policy of reducing hospital costs, although hospital administrators don't like it because it increases the average cost of a hospital day.

I have compiled a list of fifty factors which affect LOS and about twenty items to facilitate early discharge.

Industrial Medicine and Telephone Information Services

Huth: Were you involved in other programs?

Lewis: I can tell you about one that gave me the most satisfaction. This can be a long story so stop me when you wish.

Sometime in the second half of 1975 Dr. Marvin Goldberg, the San Diego Area associate medical director, established a Department of Workers' Compensation and Occupational Medicine. Up to that time it had been an activity without a goal and without close management. He appointed me to work in a program of identification, treatment and prevention of industrial illnesses and injuries. I retired November 1976 on my sixty-fifth birthday, but I continued full time through July 1978, and as a consultant to my successor, Dr. Arnold Markman, until 1981.

My nickname for the department was TOM-POM which described the services it provided--therapeutic occupational medicine and preventive occupational medicine. It is a board certified specialty.

One of the five principles of the health plan is prevention. I hoped to offer POM to employers on a fee-for-service basis and later on a retainer fee prepayment formula.

KP in northern California had a well-organized regional program managed by Dr. Walter Hook, with experienced worker's compensation physicians in each hospital and satellite clinic. It was a model

Lewis: that the San Diego Area could emulate. Our southern California program was unorganized. San Diego was the first formal department in the region.

Huth: You were a surgeon. Why were you selected?

Lewis: Good question. Many industrial cases are medical. Dr. Goldberg was aware that I had experience in this field. I had organized a program in New York City in 1951 or 1952. I was on the Workmen's Compensation Committee of the New York County Medical Society. Maybe they thought I had managerial competence. I don't know.

##

Huth: What did you find wrong in San Diego?

Lewis: Plenty. I'll try to be brief, but no matter how little or how much I say, there will probably be much left unsaid.

Loss of revenue and bleeding of the health plan dollar was one problem. Industrial ailments are excluded from Kaiser coverage. California law requires the employer to pay for the treatment of job-related illness and injury. Our physicians were unaware of this. Workmen's compensation cases were treated with the health plan dollar and did not collect the employer's dollar. The result was a $2 loss.

Huth: Do you think money is still being lost in 1986?

Lewis: Dr. Markman tells me the "hemorrhaging" goes on. The emergency department physicians, where many industrial patients appear, is adept at identifying them in contrast to the doctors who see scheduled patients.

A second problem was, and still is, reports to the employer and the insurance carriers. Complaints by phone and letter about mishandling of patients and poorly documented and tardy reports were numerous and never ending. KP had a bad reputation in this field, sometimes resulting in withdrawal of membership.

Huth: Wasn't the early Kaiser and Garfield relationship based on workmen's compensation?

Lewis: You are right. I never thought of that. One would think it would have been emphasized in the health plan, perhaps as the sixth principle.

Lewis: A third problem was failure of the majority of physicians to inquire of the patients their occupation and to assess the work origin of their symptoms. The emergency department staff was good at it, but medical specialty in KP, whose specialty accounts for the most cases statewide, rarely identified any work related symptoms although this fact was repeatedly brought to the attention of the department chief.

Other problems were of lesser significance. Let's not get into them.

Improvements were made. I'll just list the corrective measures as best as I can recall. Most of them were for the purpose of recognizing the patient with job related illness and injury, especially by physicians but also by nurses and receptionists who talk to patients before the doctor does. The object was for every layer of staff to THINK INDUSTRIAL--in capital letters. Here is the list of corrective measures.

1. A committee of physicians representing all clinical departments, meeting monthly (for only a few sessions unfortunately).
2. Meetings with individual departments and with individual physicians.
3. Meetings with nurses and receptionists.
4. Instant consultation with me.
5. Lecture titled, "Cancer of Occupational Origin"--at a general staff meeting.
6. A physician at each satellite clinic who would add workmen's compensation cases to his specialty. This was usually the family practice physician in his role as gate keeper. The department refused to permit it. So, many, many cases went undetected.
7. A weekly newsletter titled "Workers' Compensation and Occupational Medicine." It had a pictorial logo and was printed on green paper. It was published for almost a year, in 1977-78, until I retired. It had a circulation of about five hundred copies. Requests for copies came from regional offices, several area physicians, northern California and KP in Portland, Oregon.
8. A health phone tape for members.
9. Green Pouch Express. This was a green file folder sealed on three sides. The workmen's compensation clinic chart, upon arrival at the receptionist, was placed in the pouch. The materials generated at the visit were added to the pouch, which was then forwarded to the insurance claims department for processing, instead of the chart room.

Lewis: 10. An insurance claim clerk, skilled in workmen's compensation [WC] reporting requirements, was stationed in the emergency room where a large volume of industrial cases originated. She assisted the doctors with documentation and arranging followup. By 5:00 P.M. all required WC reports to the employers and insurance companies had been typed, signed, mailed. A similar arrangement was set up at the La Mesa satellite clinic which had replaced the hospital. Most of the family doctors were located there.

Another accomplishment in Workers' Compensation and Occupational Medicine [WCOM] was the long overdue establishment in 1976 of a formal health service clinic at the Zion facility--for KP employees' occupational and non-occupational health problems. The WCOM department organized and controlled it.

Just one more item about our "baby." I presented the San Diego program at the 1978 Annual Regional Objectives Conference and at the 1978 Annual Group Health Institute sponsored by the Group Health Association of America, which published it in its proceedings. The presentation was titled "HMO Based Workers' Compensation and Occupational Medicine Program--Kaiser Permanente San Diego Past, Present, and Future."

Huth: The changes you brought in occupational medicine and in the other fields are noteworthy history. Were there other firsts you introduced?

Lewis: I remember two, a Hot Line and a Health Phone.

Huth: What was the Hot Line?

Lewis: The Hot Line was a phone extension number to a clerk in the associate director's office, to whom I could dictate a problem or a suggestion while the memory was still hot in my mind. A response came either by phone or by typed memo.

The San Diego County Medical Society had a program they called Tel-Med. It provided taped health and medical information on a few hundred subjects to the public by phone. I suggested an identical service of our own tapes for our members and named it "Health Phone." The one tape I remember was on industrial medicine. Health Phone is now a regionwide service in southern California.

I remember another first. The San Diego Health Association had founded the establishment of the Stevenson Research Foundation, named for SDHA's pioneer founder. I was president of the foundation. When it was dissolved, $1800 was donated to the Kaiser Zion hospital medical library.* The library used it for computer generation of on-line search of medical literature requested by medical staff and other personnel.

*See page 98.

IX SOME VIEWS ON THE CHALLENGES AHEAD FOR KAISER PERMANENTE

Huth: Carl Berner, former senior vice president and regional manager of the health plan and hospitals for the Southern California Medical Care Program, said, "One area where I do not think we are doing as good a job as we should be doing is in the monitoring of quality as it relates to each individual physician." That gets into the recruiting, retaining, and training of personnel. Will you please comment on this observation?

Lewis: I agree with him, but I would say we are not doing as good a job as we should in monitoring the whole KP system, its management, facility construction, financing, and hospitals.

I would say that the professional performance of most San Diego Permanente physicians is of high quality, but there is room for improvement. Quality shortcomings are not peculiar to Permanente doctors. It is universally true of all doctors. Quality should satisfy what is best for the patient. What is best for the patient is best for the doctor. Quality of care is a subject about which I have read widely. No system has been devised to monitor the innumerable factors that go into quality.

In the mid-1970s this southern California region carried out a study of medical care quality under an HEW grant. As director of clinical services for SDHA, which position was aborted by the new management which took over SDHA in 1964 and brought it into insolvency, I had a program for the quality control I wanted. It started with the patient arranging an office appointment for a medical problem and followed what happened through the doctor's office, special studies, specialty referred, hospital admission and discharge, and achievement of maximum health status.

Lewis: I know KP needs this sort of audit right now. I know it from the experiences of myself and family and from some of the current staff physicians.

Huth: You mentioned your innovations and your ideas, such as the doctor's hotline. I don't think you described it when we had the tape on. Could you tell me what you did with the hotline idea?

Lewis: I believe I did describe it. The "hot line" was a special extension numbered telephone complaint line to the area medical director's offices, restricted to use by physicians who wanted to bring to his immediate attention disconcerting problems. The message was taken verbatim by one of the clerks and typed. A typed reply would usually follow within one or two days, depending upon investigation of the matter. A memo from Dr. Sorenson to the medical staff publicized its existence. I believe it is still in use. Recently I saw a news item about a group which has a similar arrangement for complaints, called a "moan phone." I think the current medical director should change the hot line name to "complaint line" or "groan phone."

Huth: Up in the Los Angeles area they had a problem from time to time of having too many members for the doctors and the available facilities, a time when they couldn't service the members because the health plan took in more members than they could service. Has that ever occurred here?

Lewis: We have, I believe, enough doctors--with one doctor per thousand members, or something like that. I don't know whether that included full time and part time administrative doctors too. It should be a doctor ratio of practicing doctors to patients, not a ratio of all doctors, practicing and administrative--to patients. If there are several administrative doctors then we don't have a one- to one-thousand ratio or whatever is stated as the ratio.

Huth: One of the things that's happening in a lot of the other Kaiser areas is that they've been established for a long time and many of their members, a great proportion of their members, are growing older, so more and more they're taking care of the older people in the population. Also, there's the problem with Medicare, and all that that brings up for Kaiser. Do you have any comments about the need to care for the elderly, and perhaps innovations and ideas that are called for?

Lewis: I have this to say:

The problem is not just Medicare and the elderly and it is not only a Kaiser Permanente problem. It is a problem for the entire social organism. The medical advances in diagnosis and treatment and

Lewis: the escalation of costs have been exceedingly rapid during my medical lifetime, and now they are heading toward becoming more numerous and more costly--even more rapidly.

Our civilized society that claims to value human beings, from the unborn fetus to the elderly, in all aspects of acute and chronic illness and disability, has to translate its values into supportive measures. I see two problems that must be addressed. Will the quality of care for the disadvantaged equal that received by the population who can afford to pay for it? Will the cost be subsidized by physicians and medical personnel, sickness insurance companies, employers, pharmaceutical and medical equipment manufacturers, mortgage banks, medical facility construction companies, or government (we, the taxpayers), or all of them or some of them? We, the government, subsidize farmers, education, housing, business of diverse kinds, natural resources, railroads, etcetera.

Health care is presently paid for by prepayment HMO type service, fee-for-service, and socialized services. I believe these payment avenues will continue.

Programs for preventive medicine and early detection of disease will reduce the costs of therapeutic medicine. Whatever the system of medical care, it should not be closed to the entry of new ideas and methods.

Huth: It seems to me you have a forward looking view, because you on your own have done some research into some of these things. Do you think Kaiser needs to do more research?

Lewis: Unequivocally, yes! With its perennial captive population it is a gold mine of short-term and long-term patient studies, physican performance, clinical and non-clinical department organization and activities, employee health in a health organization, and other areas. A formal research department would be useful in many ways, including taking on preparing research grant requests as Kaiser Portland does.

Huth: One of the complaints you hear from people who are thinking of moving out of Kaiser is the length of time it takes to get an appointment. What is your experience with the appointment process?

Lewis: I'll vouch for that from my own and my family's experience as patients this year with dermatology, cardiology and ophthalmology, which have three or more week appointment backlogs--and with pharmacy. For four or five minutes by the clock I have timed a busy signal or a voice telling me to wait my turn, until I hung up in frustration. I repeated my call two or three times the same day with the same results.

Lewis: Cardiology has six physicians on the same incoming phone number and two receptionists to receive all the calls. On one occasion I called a physician in La Mesa. The receptionist, also on a multi-physician phone number, said he was unavailable at the moment. I gave her a message for him to call me, but I never heard from him. He was on vacation, and his receptionist didn't know it.

This phone scenario is costly for the members who are charged by the phone company for every call and who have other things to do. San Diego has 300,000 members, and many are unhappy. I wonder if administration is aware of the situation and has taken corrective measures.

Huth: Surely, they'll continue to try to find a way to cope with that.

Lewis: I would like to say something about appointment backlog. If an appointment backlog remains at a steady level of three or four weeks, or whatever the level in any department, then the level could just as well be a day, two days, a week. If the level can't be brought down or continues to rise, the obvious remedy is adding another physician, or occasional paid evening office hours. Some patient consultation requests for an office visit can be handled just as well by a phone conversation.

X A PERSONAL PHILOSOPHY ON MEDICAL CARE, AND A MAJOR HEALTH PROBLEM

Huth: What have you done in the last ten years from 1976, when you retired, to 1986?

Lewis: Retirement at age sixty-five is mandatory, but I continued in a postponed retirement category for two years, occupied with ongoing reorganization of the Occupational and Workers' Compensation and Occupational Medicine Program and acquainting my successor, Dr. Arnold Markman, with the program.

After Dr. Markman took over in 1979, I continued as part time consultant until 1982. In 1977, a few months after mandatory retirement, I had my first hospitalization for a cardiac anrhythmia, which was eventually diagnosed in 1982 as an hypertrophic cardiomyopathy.*

Huth: I hadn't heard about that. You haven't mentioned it before. Were you incapacitated?

Lewis: Not much at first, but more with each year.

Huth: Thank you very much for the interview.

Lewis: Thank you. It has been my pleasure.

It has been a privilege to participate in this history of the Kaiser Permanente Medical Care Program. It has been a privilege to have participated in the advancement of prepay group practice. It has been a privilege to have been a physician.

Above all, I wish to acknowledge, with my deepest gratitude, the understanding and support of my dear wife, who carried the burden of our children and our household during the years of my professional career.

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*Addendum by Dr. Lewis. In September 1986, three months after our last interview session in June, a cardiac pacemaker was implanted under the skin of my chest.

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President, Intern Council, Lincoln Hosp.

Military Service:
1st Lieut. to Lt. Colonel, Medical Corps, Nov 1940-Ja 19
Assignments almost exclusively administrative.
Major assignments:
1. Chief of Surgery, Ft. Hancock New Jersey.
2. Medical Supply Officer at Base Sections and Depots in Australia and New Guinea.
3. General Staff, Ass't. G-4, Hqrs. U.S. Army Services of Supply, SW. Pacific.

Residencies in Surgery:
Hospital for Special Surgery, New York City, 1946
(absorbed into Cornell University Medical College)
Veterans Administration Hospital, Bronx, New York City, 1947-1948

Teaching Appointments at Medical Schools:
Associate in Surgery, New York Medical College 1949-1956
Instructor in Surgery, Cornell University Medical College 1954-1956

Biographical Data
Benjamin Lewis, M.D.

Hospital Appointments:	Associate Visiting Surgeon and Acting Chief, City Hospital, New York City	1948-1954
	Associate Surgeon, Flower-Fifth Avenue New York City	1949-1954
	Courtesy Staff, Booth Memorial Hospital (Salvation Army)	1949-1950
	Assistant Surgeon, Knickerbocker Hospital, New York City	1951-1954
	Courtesy Staff, Doctors Hospital New York City	1952-1954
	Chief of Surgery and Chief of Staff, Navajo Medical Center, Navajo Reservation, Arizona, New Mexico, and Utah (Cornell Medical College project for 80,000 Indians)	1954-1956
	Courtesy Staff, Peninsula and Mills Hospital, San Mateo, California	1956-1958
	Courtesy Staff, Several Hospitals in San Diego, California	1958-196
Medical Societies:	County, State and American Medical Association	1945-196
	San Diego Academy of Medicine	1959-196
Medical Practice:	Fee for service, New York City	1949-195
	Salary, for Cornell Medical College, Navajo Reservation	1954-195
	Fee for service, San Mateo, Calif.	1956-195
	Prepay direct service group practice with San Diego Health Association; Chief of Surgical Services, Chief of Staff, Director of Clinical Services, ~~Director of Hospital~~	1958-196
	Southern California Permanente Medical Group, San Diego	1967-1971
Publications:	Felsen & Lewis - Acute Segmental Appendicitis, Experimental & Clinical Studies. Arch. Surg. 38:755-762, 1939	
	Coley & Lewis - Filarial Funiculitis, Amer. J. Surg. 76:15-22, 1948	
	Lewis & Maxfield - Leimyoma of the Esophagus, S.G.O. Collective Reviews, 99:105-128, 1954	
	Bancroft & Lewis - Preventive Aspects of Abdominal Surgery. Chap 24:558-602, in "Prevention of Disease in Everyday Practice", Givner & Bruger, Editors, C.V. Mosby Co., New York, 1955	

Biographical Data
Benjamin Lewis, M. D.

Other Data:	Fellow of the American College of Surgeons (FACS)	1950
	Diplomate of the American Board of Surgery (DABS)	1951
	Fellow of the American Public Health Assoc. (FAPHA)	1964
	New York-Brooklyn Regional Committee on Trauma American College of Surgeons	1953-1954
	Committee on Industrial Medicine, N. Y. County Medical Society	1950-1954
	American Cancer Society, Education Committee of San Mateo	1957
	American Red Cross, Safety Committee, San Mateo	1957
	Board of Directors, Group Health Association of America	1962-1964
	Technical Advisory Committee to Regional Hospital and Health Facility Planning Commission of San Diego County	1964
	Board of Trustees, SDHA	1961-196[illegible]
	President, Stevenson Research Foundation	1962-196[illegible]

December 1, 1964

Mr. Paul L. Stubbs, President
Board of Trustees, San Diego Health Assoc.
Silver Gate Savings and Loan Assoc.
701 C Street
San Diego, California

Dear Mr. Stubbs:

This letter is submitted in accordance with your request at our meeting on November 27.

I wish to offer my personal cooperation in providing information and background on all matters pending before the Board and in acquainting the Board with the philosophy and operating methods of a retainer fee direct service group practice health plan. SDHA must get back quickly to its business of providing good quality medical services at the least possible cost. The recent imbroglio amongst the Trustees has been disruptive, and SDHA stands on the verge of disaster in the months to come. I am sure I also speak for the cooperation of all the other members of the business and medical management teams who have been engaged for many years in the actual day to day planning and operations.

Predict
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DUTIES AND FUNCTIONS OF THE CHIEF OF STAFF

1. Chief of his Section and Department, Chairman of the Medical Executive Committee.

2. Chair all Staff and Committee meetings.

3. Represent the Medical Staff in all negotiations with the Medical Director in all matters which do not bear directly upon physician-patient relationship.

4. Establish physicians' work routines in collaboration with the Medical Director.

5. Review on-call and leave schedules to assure equity and coverage in all medical departments.

*See also page 96 and page 102.

Mr. Paul L. Stubbs December 1, 1964

6. Translation of policies into methods and procedures.

7. Establishment and maintenance of standards of professional practice and conduct so that the medical services are provided effectively, efficiently, and are of good quality and adequate volume.

8. Development of various statistical and clinical studies designed to develop, maintain, and understand standards of care.

9. Perform studies of utilization, hospital admissions and discharges, and lead time studies for patient appointments.

10. Coordination of the several medical departments with respect to assignment of patients by specialty and the achievement of one time, one doctor, one day, and one stop medical service.

11. Development of manuals of standard operating procedure for physicians, nurses, receptionists, etc. and patient education instructions.

12. Arbitration of interdepartmental and physician complaints and problems.

13. Investigate and study complaints of patients against physicians, bringing these to the attention of the entire staff in a general way, and offering explanations and conciliations to the patient as might be necessary.

14. Assure compliance with directives from SDHA and with policies, procedures, and rules adopted by the Medical Executive Committee for the entire Medical Staff.

15. Recruiting of replacements and additions to the Medical Staff in conjunction with the Medical Director.

16. Planning and policy recommendations from the standpoint of the practice of medicine, education, research, and the concept of total health care and hospital based medical practice. (See the 1962 Annual Report from the Chief of Staff to the Board of Trustees)

17. In addition, I undertook a number of other obligations not required of the Chief of Staff. These are not necessary to the survival of SDHA, nor bear upon the day to day internal operations, nor provide immediate and tangible results, but in five to ten years they could spell the difference between a mediocre and great institution. SDHA has the

potential to be a leader and prototype in the field of health and medical care for the physical, mental, and financial benefit of its subscribers. These extracurricular activities consisted of making SDHA known to others, both locally and nationally, of studying other groups similar to ours, and of becoming acquainted with the literature on the vast subject of medical care and all facets of the health field. This required constant reading, correspondence, accumulation of information and data, correlation of materials collected and contact with leaders in the health field, as well as an expenditure of time over and above physician-patient professional duties. This material fills two 4-drawer filing cabinets. Some of these extracurricular activities are:

a. Invitations to speak about SDHA and the subject of retainer fee health plans (e.g. U.C.L.A. Extension Course lectures on Health and Welfare plans; panel participant on a National program "Conservation of the Health Care Dollar" sponsored by the American Medical Association; La Mesa ~~Kiwanis~~ Rotary; Group Health Institutes; Hospital and Health Facilities Planning Commission of San Diego, TV and radio, etc.)

b. Presentation of prepaid medical care viewpoint to California Legislative Committees (e.g. Regulations of prepaid plans; discrimination against physicians in prepay plans; etc.)

c. Attendance at meetings in connection with prepaid plans (e.g. Group Health Association of America; Advisory Hospital Council of California; American Public Health Association.)

d. Serving on committees and boards (e.g. Technical Advisory Committee of the Hospital and Health Facility Planning Commission of San Diego; Board of Directors of the Group Health Association of America; Committee on Standards of Medical Group Practice in Prepaid Plans.)

e. Keeping informed on a variety of related medical developments (e.g. Prepay Medical Care Programs in Pharmaceuticals, Dental Health, Mental Health, etc.; progressive patient care in the hospital; homemakers services and home nursing care; cooperation

and communication with community Public Health and Welfare agencies for patient aid; sickness insurance for welfare patients on a prepay basis; etc.)

f. Creation and development of the Western Association of Health Plans to be undertaken jointly with other medical groups, initially in California and eventually throughout the Western states to stimulate the prepay medical care movement.

g. Coding of Clinical Diagnosis; Civil Defense and Disaster Plan; Comprehensive history and physical examination form; etc.

Comment: In addition to the above enumerated duties and functions of the Chief of Staff I carry on a full time professional practice. These two jobs were possible only by giving up myown time outside of office hours. I estimate this averaged 80 hours per week in both jobs from 1958 through 1962 inclusive. In 1963 ahd 1964 my professional work was partially reduced to allow for the performance of additional responsibilities as Chief of Staff in connection with clinical and hospital matters that had to be carried out during office hours and because continuation of the pace the first five years could become physically exhausting. At present, I estimate my working time to be approximately 60 hours per week.

DUTIES AND FUNCTIONS OF THE DIRECTOR OF CLINICAL SERVICES

In addition to my position as Chief of Staff the Board of Trustees has appointed me to be Director of Clinical Services. I should like to explain the rationale of these two positions and the future plan for each.

The variety and volume of administrative duties of the Chief of Staff and the scope of his duties have increased each year. With the imminent advent of the hospital and of a second branch medical office facility, the plans for additional similar facilities throughout the County, the position of Director of Clinical Services was created. Only a physician can perform his duties. These consist of the supervision and coordination of the clinical services, research, and education at all of the facilities with a minimum of administrative and committee duplication between facilities. His office was to be located at the hospital where he could also supervise the branch clinic and prepare for the participated increase of 10,000 to 20,000 members and 10 to 20 physicians within the next few years. In addition to the administrative duties and the extracurricular duties enumerated above, the Director of Clinical Services was expected to practice his specialty on a consultative and

Mr. Paul L. Stubbs December 1, 1964

and emergency basis for the branch clinic and the hospital. At each of the three facilities a physician would be appointed or elected to be the Chief of Staff or Physician in Charge. The Director of Clinical Services would relinquish those of his duties listed above under Chief of Staff which were strictly to matters pertaining to the local unit itself.

JOINT CONFERENCE COMMITTEE

To obtain the coordination, cooperation, and mutual understanding amongst the most important elements in SDHA, a Joint Conference Committee composed of representatives of the Board of Trustees, of the Medical Staff, and of business and medical management would be desirable. This was proposed two or three years ago but was never adopted.

this information was prepared on short notice & is not complete by any means. Documentary support is available

Sincerely,

Benjamin Lewis, M.D., F.A.C.S.
Chief of Staff; Director of Clinical Services

BL:c

C. 1.

How SDHA Evolved
1935-1966

a. 1935 - July 3, 1939. The Beneficial Society

b. Feb 2, 1939 - Feb 10, 1957. the Complete Service Bureau, Inc.
July 3, 1939 - the Stevenson - Chartres - Martin Clinic

c. Feb 11, 1957 - Dec 31, 1966. CSB, Inc. renamed San Diego Health Assoc, Inc

Expansion Period Feb 11, 1957 - Nov 1964
Decline Period Nov 1964 - Dec. 31, 1966

d. January 1, 1967 - Take over by Kaiser Health Plan

C. 1. How SDHA evolved 1935 - 1957

C. 2. Key Leaders 1935 - 1957 → Beneficial Society 1935-3[illegible] / → Complete Service Bureau 1939-
" " 1957 - Nov. 29, 1964 → San Diego Health Assoc 1957-
" " Nov 24, 1964 - December 1966

C. 3. Early facilities + later expansion 1935 - 1966

C. 4. Relationships with Medical Societies and legal suits
San Diego County Medical Society, California Medical Association
American Medical Association, American College of Surgeons

C. 5. My role in SDHA January 1958 - December 1966

C. 6. Coping with crises Nov 64 - Dec 66
1. Board of Trustees falling out
2. New Board of Trustees and New Business Manager
3. Insolvency factors

C. 7, 8, and 9. Miscellaneous and Chronologies
1. Other items of interest
2. Membership Growth, Medical Staffing, Medical Consultants, Innovations, Chronology - 1986, Chronology - 1981

C. 2. Key Leaders Pg 1 of 4

Beneficial Society 1935-39

Dr. George Roy Stevenson - Founder
Dr. E.P. Charles-Martin -
Dr. Ross S. Carter
George Latham - ? Manager
William David (Dave) Parmer - Enrollment

Medical Staff - 3
Membership - 894 (subscribers and dependents) rising to approximately 3000 persons

Key Leaders (Cont'd) Pg 2 of 4

Complete Service Bureau, Inc. Feb 2 1939 – Feb 11, 1957 - Non-profit corporation

William Parmer, Incorporator and President of Board of Trustees
Dr. Stevenson – Medical Director
Ralph Byrnes – 1944 or 1945 Pharmacist; Managerial Position until General Manager (Executive Director) eventually
Dr. Chester Antos - Chief of Staff - for a few years in the mid 1950's to 1956 in relief of Dr. Stevenson's duties.
Board of Trustees, CSB, Inc – in a 1951 document
Parmer, Stevenson, Antos, Byrnes, Clinton McCracken accountant, Wilson Wade business office, Pauline Pegg Villian, Secty.
After Parmer's death in 1953, Francis Ohm insurance broker

Membership – reached approx. 15000 in 1957

Medical Staff – sufficient to have 1 doctor per 1200 or less members
(Individual contractors)
Large turnover of doctors who were terminated or left after a few years for private practice
Some who stayed on into the SDHA phase were Antos, Burak, Cosper, Livingston, Steck, Moody.

Medical Consultants – In every specialty, even though contrary to Medical Society principles

Key Leaders (cont'd) Pg 3 of 4

San Diego Health Association, Inc, a non-profit corporation Feb 11, 1957 – Dec 31, 1966

(I) Expansion Period: Feb 11, 1957 – Nov 23, 1964

Ralph Byrnes – Gen'l Manager & Executive Director

Dr. Robert Burak – Chief of Staff 1960; Medical Director 1961 – 11/23/64

Dr. Benjamin Lewis – Chief of Staff 1961 – 11/23/64; Director of Clinical Services 1964

Board of Trustees – Dr. Stevenson, President

Dr. Chester Cutes, Vice Pres.
Ralph Byrnes
Dr. Robert Burak
Dr. Benjamin Lewis
Wilson Wade, retired

Clinton McCracken, Accountant
Francis Ohm, Insurance
John Quimby, Labor Secy
Lou Katz, Attorney

William Wagstaff – Ex office manager SDHA. Later returned as Hospital Administrator

Management Team – Byrnes, Burak, Lewis,
Administrative Assistants, Jack Katz & Donald Williams
Hospital Administrator, Wagstaff
Enrollment Director, William C. Bucknum

Membership – rose from 15000 (1957) to 24,600 (1964)

Medical Staff full time – 22. Small physician turnover

Medical Consultants – In every specialty

Keyhoulers (cont'd) Pg 4 of 4

II Period of Decline & Insolvency — Nov 24, 1964 – Dec 31, 1966

John Quimby – Interim Gen'l Manager, appointed by Stubbs & Hewitt 3/4/65

Fred W. Tennant – General Manager, March 22, 1965 – July 1966

1/4/65 advertised in LA Times and the S.D. Union for a Gen'l Manager

Formerly Regional Manager, Kaiser Foundation Hospital, Oakland CA.

Resigned because of interference by Stubbs & Hewitt in day-to-day business and by division of authority with a Comptroller brought in by the Board of Trustees

E.T. Ageno – Controller April 11, 1966; then succeeded Tennant as Gen'l Manager

James Hewitt – Attorney for the dissident group.

Dr. Chester Antos – Medical Director

Dr. Myron Seltz – Chief of Staff 1965

Dr. Myron Johnson – Chief of Staff 1966

Board of Trustees

Paul L. Stubbs, President (V.P. Silverado Savings & Loan; Fourlogic Corp.

Dr. Chester Antos (carry over from the previous Board)

John W. Quimby (" " " " " ") Former Sec'y Local Labor Council. Manager Small Business Administration of San Diego & Imperial Counties

David S. Schurch, (V.P. Security Title Insurance.

R.W. Shukraft, (Fire Chief, City of San Diego; resigned July 1966)

John K. Sorensen (Minister

Jack Walsh (Councilman, City of San Diego)

Alva G. Rosa (Businessman, Alessio Corp)

Membership — rose from 24000 (1964) to 28400 (1965) to 29400 (1966)

Medical Staff, full time — 23 (16 at Maple St; 7 at Stevenson Memorial Hospital, La Mesa)

C. 3. Early Facilities & Later Expansion pg 1 of 2

Beneficial Society 1935 - Probably no central office with each doctor seeing members in his own office, including non-society patients

Complete Service Bureau Inc - July 3, 1939. The Putnam Mansion at 328 Maple St. in downtown San Diego was leased for one year & then purchased to house the medical staff offices.

San Diego Health Association Inc. To accomodate more physicians for increased number of members the Putnam Mansion was razed after a 4 story MOB had been constructed in 1959 on the Putnam property. In addition to Drs. offices it had an ambulatory surgery & recovery room, library - dining room, laboratory, Xray and pharmacy. For a short time it even ~~had~~ rented space to a luncheonette. The business office and an IBM data processing machine were also in the building.

In 1964-65 the Stevenson Memorial Hospital & doctors offices was erected, in spite of opposition by the County Hospital Association, at 8010 Parkway Dr, La Mesa on 4 1/2 acres, a couple of hundred yards from Interstate 8 which was central to most of our members and the location of future residential and business development. The cost of land, construction & equipment & furnishing was about 1.5 million

The facility had 51,000 sq ft of space and was built on 2 levels, Originally only the upper level was occupied. The hospital proper was composed of 42 acute beds, 8 maternity beds and 20 beds for long term convalescent or nursing home care, convertible to acute beds if required. There were 3 major surgery and two delivery rooms. A kitchen-dining room, pharmacy, lab, xray, records, meditation room, etc. etc. were included.

Seven doctors offices and treatment rooms were also on the upper level. Unused space on both levels was available for another six physicians and a projected dental suite. The lower level was unfinished & set aside for storage only.

Reasons for this facility:

To meet current membership & projected future increases

To conserve doctors travel time to hospitals scattered over long distances

To concentrate delivery of medical services & special equipment (such as xray)

To be ahead of inflationary future costs.

For membership pride in their "own" hospital and to gain more members

C.4. Relationship with the San Diego County Medical Society, Law Suits, and Court Judgments pg 1 of 3

The SDCMS, California Medical Association and American Medical Association have always been opposed to prepay medical care, group practice, and contract practice on a salary or retainer basis with fraternal organizations and industry. These type practices were deemed socialistic, ~~and~~ a threat to fee-for-service and free choice of doctor. The same attitude was held by the CMA & AMA. Physicians who engaged in these deviate practices were denied membership in the Medical Societies. Without Society membership physicians could not obtain hospital privileges. Such was the situation for Complete Service Bureau doctors. The S.D. CMS denied them membership. ~~Some~~ Doctors who had membership were expelled from the Society, ~~this~~ as happened to Drs. Stevenson, Chartres-Martin and Carter during the 1935-1939 period. Dr. Stevenson who had obtained Fellow of the American College of Surgeons in 1929 was dropped from Fellowship in 1954, at the it was later restored to Retired Status ~~when~~ after he retired from practice. Dr. Carter, above mentioned, had been President of the SDCMS in 1934.

The only hospital San Diego which granted privileges to CSB physicians to admit and operate upon patients was Quintard.

Strangely, members of the SDCMS who provided services to CSB in orthopedics, neurologic surgery, vascular surgery, dermatology, G.U. X-ray

Law Suits & Court Judgements (Cont'd) pg 2 of 3

Legal suits to remedy the situation were initiated in 1948 and brought to trial in 1952, 1953 and 1954, followed by another suit in 1956 which was aborted by out-of-court settlement.

Oct 16, 1948 CSB and three staff doctors brought suit against the SDCMS and several physicians alleging a conspiracy in restraint of trade. The defendants filed a cross-complaint alleging CSB, Group Properties and Dave Parmer (President of CSB Board of Trustees with unlawful engagement in the corporate and lay practice of medicine. The CSB physicians were charged with unprofessional conduct in abetting the lay practice of medicine.

Sept 15, 1951 – Feb 52 The first trial in Superior Court, San Diego resulted in a verdict in favor of CSB. The SDCMS appealed the decision.

July 1953 – Sept 14, 1953 The second trial in the 4th District Court of Appeals reversed the Superior Court. It ruled that CSB, Inc was practicing illegally. CSB appealed the decision to the California Supreme Court. Dave Parmer had died in the spring of 1953 preceding the start of trial.

Law Suits + Court Judgments (Cont'd) Pg 3 of 3

July 9, 1954. At the 3rd trial in the California Supreme Court the Appeals Court was reversed. The Court ruled in favor of CSB and its physicians. It commented that organized medicine's California's Physician Service and CSB are both engaged in similar activities + practices disputed by the SDCMS which are legal. The Appeals Court judgement was de publized, Request for appeal by SDCMS was denied.

It is interesting to note that in 1953 SDCMS was afraid that Kaiser-Permanente would come to San Diego.
The Kaiser Foundation Health Plan firm of attorneys, Thielen Marin, Johnson, et al filed amici curiae on the side of CSB. So did a Minnesota law firm of Hansen, Hazen and Lynch.

1956 the SDCMS continued to bar CSB physicians from membership and thus from hospital privileges inspite of the Supreme Courts decision. Thereupon in 1956, three CSB physicians (Drs. Biwak, Antos + Kelly) filed suit against SDCMS seeking $500,000 in damages. An out of court settlement was reached. Membership for CSB physicians was speedily granted.

Many SDCMS doctors didn't live happily with CSB + SDHA for many years. thereafter — a few who are still alive, to this very day.

C. 5. My Role in SDHA Jan 1958 - Dec 1966

Fight the identity —— Create a new identity

Chief of Surgery	1958 - 1964
Chief of Staff	1961 - 1964
Director of Clinical Services	1964
Board of Trustees	1962 - 1964
Management Team	1961 - 1964

Special Activities

a. 1962 - Establish Stevenson Research Foundation with Dr. Howard Wayne

b. 1963 - Proposal for State prepaid medical office services for welfare recipients - a form of medicaid for a retainer fee. Hospitalization in County Hospital o Staff

c. 1963 - Creation and development of the Western Association of Health Plans to be undertaken jointly with prepay and mixed prepay - fee-for-service health groups in California, to be known as WAHP.

d. See attached letter dtd 12/1/64 to Paul Stubbs, President, SDHA Bd of Trustees for description of activities

e. Data collection - evaluation hospital admissions and length of stay

f. Collection of literature on prepay group practice, health insurance, health plans, legal history, etc. etc.

g. Group Health Assoc. of America

h. American Public Health Association

Benjamin Lewin, M.D.

C. 6. Coping with Crises pg 1 of 3

Nov 1964 – Dec 31, 1966

Why SDHA Became Insolvent

1. Rift in Board of Trustees
2. Takeover by a new Board unacquainted with Association administration, business, medical affairs and future planning.
3. Legal and accounting fees. ? Board remuneration and meetings
4. Increase salaries for Medical Staff and Union employees
5. Low hospital occupancy (approx 1 bed/1000 members)
6. ~~Withdrawal~~ Non-renewal of Teamsters, State employees, Federal employees because financially unstable

Sept 1964 - Board of Trustees meeting. 6 of 10 members present.
Antes, McCracken, Ohm, Quimby, Burak, Lewis.
Byrnes absent on vacation.

A, Mc, O, and Q voted to suspend Byrnes with misappropriation of funds and mismanagement. B & L voted no & predicted dire consequences unless Byrnes continued to manage during investigation. B & L did not object to investigation.

My opinion: They wanted him out for personal reasons

Their attorney, James Hewitt filed suit to prohibit Byrnes from carrying out his managerial duties & requesting SDHA books and records. (Pre-planned conspiracy?)

Coping with Crises (cont'd)

pg 2 of 3

Bitter rift on the Board two sides of Leach. Necessary management decisions stalled. A few doctors sided with the dissidents and so did many employees. Most doctors remained neutral + confused.

In addition to misappropriations, suspicions of hospital construction and of Western Association of Health Plans

The Court appointed an 11th Trustee who called for a vote by the Charter Members. By a vote of 629-378 on 11/24/64 the incumbent Board was replaced by a new Board which included Autos + Quimby. Rudderless ~~organization~~ association for 3 months.

Out went the experienced management. In came the inexperienced Downhill went SDHA.

Hewitt + Stubbs ran the show.

Four months elapsed before a Business Manager was hired. He resigned 1 year later because of their interference with his managerial authority. Six month later SDHA was dead.

In Sept 1964 there was about 150,000 of operating capital and the Association was netting $10-12000 monthly

In Dec 1964 the Board issued a statement that SDHA was solvent ("is seemingly in a good financial position")

Dec 30/64. Board notified staff that there would be no contribution to the Incentive Retirement Program

August 1965 SDHA could not meet its payroll

Coping with Crises (cont'd)

August 1965 - Bank took over accounts receivable and doled out money to pay for supplies, equipment and payroll.

Thereafter - Suppliers demanded COD and others discontinued supplying

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Dec 1966 - SDHA charter members, Kaiser Health Plan, and So. Cal Permanente Medical Group agreed to accept SDHA assets & liabilities (?$2.2 million), SDHA members, employees & physicians who wish to remain.

12/31/66 Last day of SDHA

29383 members less approximately 8000 Federal, State & Teamster who did not re-enroll.

January 1, 1967 K.P. assumed control ab 21,000 mbrs

C. 7. Miscellaneous

Membership

1935 - 844	1957 - 17,500	1964 - 25000
1939 - 3000	1962 - 19000	1965 - 26262
1954 - 10000	1963 - 22000	1966 - 29400

Projected 1967 - 35000 ; 1968 - 40,000

Individual subscribers until 1959 when first groups were enrolled
1/25/66 Individual subscribers numbered 11000, groups 17000

1967 - Kaiser-Permanente was left with approximately 21,000 members because State & Federal Employees and Teamsters withdrew because of SDHA financial instability in 1966

Major Enrolled Groups

California State	8 School Districts
San Diego City	Federal Employees
Retail Clerks	S.D. Zoo

IBM Data Collection & Evaluation

1963 - AFL-CIO Central Labor Council proposed to build a $70,000,000 retirement community in Pala Valley about 100 miles north of San Diego with on-site medical services by SDHA. 5000 single family homes. Construction to start 1964. It was never built. John Quimby, Sec'y of the Labor Council & on SDHA Bd of Trustees.

Selected References related to Group Practice Prepayment Service Plans

1. American Medical Association
   1. Recommendations of the Committee on the Costs of Medical Care 1927-1932. Majority & Minority Report
   2. Larson Report of the Commission on Medical Care Plans and Action of the House of Delegates 1959
   3. A Survey of Management Health Centers 1959

2. Health Care for California. Report of the Governor's Committee on Medical Aid & Health. Dec. 1960

3. Legal Rights of Group Health Plans – Horace R. Hansen 1964
   Group Health Association of America
   1717 Massachusetts Ave, N.W. Washington, D.C. 20036

4. Group Practice & Prepayment of Medical Care – Wm A. MacColl, M
   Public Affairs Press 419 New Jersey Ave, S.E. Washington D.C. 2

5. Early History of Prepaid Medical Care Plans – Jerome L. Schwartz
   Bulletin History of Medicine 39:450–75, October 1965

6. Independent Health Insurance Plans
   U.S. Dept Health & Human Services
   Washington D.C.

April 1986

C.8. CHRONOLOGY

Before Kaiser-Permanente Health Plan in San Diego	1967 - present
there was the San Diego Health Association	1957 - 1966
And before SDHA, there was the Complete Service Bureau	1939 - 1956
And before CSB, there was the Beneficial Society	1935 - 1939
And before Beneficial Society there were Drs. Couch & Wilkinson providing medical services to fraternal associations for 25-30 years	from 1917 or earlier

1935-1934

Beneficial Society

A pre-existing fraternal association which arranged for medical services with Dr. Stevenson. Drs. Carter & Chartres-Martin probably were consultants.

The San Diego County Medical Society considered "Lodge" and "Contract Practice" unethical and ~~its~~ subject to expulsion from membership

Information from Dr. Stevenson

Drs. Couch & Wilkinson had a practice dating back to 1917 or earlier which included fraternal associations and which existed for more than 25 years. Lodge practice made them ineligible for membership in the San Diego County Medical Society

1939-1957

Complete Service Bureau, Inc

Feb 2 ~~July~~ 1939 – William David (Dave) Palmer organized a California non-profit corporation to enroll members for whom it would provide medical + hospital services at low cost

July 3, 1959 and without profit to any agency. Dr. Stevenson would provide professional services

December 1940 – CSB purchased the Putnam house property for $1000

1946 – Dave Palmer organized Group Properties, Inc, a California for profit stock corporation with Palmer 7150 Stevenson 2233 + CSB 3317 as stock owners Total 13300

October 16, 1948 – CSB and three staff doctors filed suit against the San Diego County Medical Society alleging a SDCMS was engaged in a conspiracy in restraint of trade. CSB physicians were denied hospital privileges. SDCMS filed a cross complaint charging CSB, Group Properties, Inc + Dave Palmer with unlawful practice of corporate medicine and the doctors with unprofessional conduct

October 1948 – Sept 1951 – Pleadings by both parties in Superior Court

CSB cont'd

4K

Sept 1951 – Feb 1952 – Trial in Superior Court. Verdict in favor of CSB and its physicians.
SDCMS appealed decision

Spring 1953 – Dave Palmer died. Stevenson became President of CSB Board of Trustees

Sept 14, 1953 – The 4th District Court of Appeal reversed the Superior Court and ruled that CSB was practicing medicine illegally
CSB appealed the decision

July 9, 1954 – The Supreme Court of California reversed the appeals Court and affirmed the Superior Court's judgement in favor of CSB & its physicians

1955 – Stevenson, age 70, retired from practice but continued as President of the CSB Board of Trustees until 1964

1956 – CSB doctors filed suit against SDCMS for 500,000 damages because it ~~continued~~ denied membership to CSB physicians.
Out of Court settlement ~~granted~~ opened membership to qualified doctors and thereby to privileges at all hospitals

5K

CSB cont'd

1956 - a new office building planned to replace the Putnam house

Feb 11, 1957 - CSB renamed the San Diego Health Association, Inc (SDHA)
a non-profit organization

1957-1966

San Diego Health Association, Inc

1957 - Membership totaling 15000 persons

May 19, 1958 - June 19, 1959 - Ground-breaking to opening for patient Services of the new Clinic offices to replace the Putnam House

1959 - Groups enrolled for the first time, Recruited by Physicians & Surgeons Association of Los Angeles

1963 - Population totaling 23000 persons

1963 - Planning an SDHA Hospital

1964 - Constructed started on a combined 50 bed acute hospital and 20 bed convalescent unit in La Mesa

Sept. 1964 - Rift in the SDHA Board of Trustees

Nov 24, 1964 - Incumbent ~~Board~~ Board replaced by a new Board

Feb 1965 - Dr. Stevenson died, age 74

May 1965 - Stevenson Memorial Hospital in La Mesa opened for inpatient and clinic outpatient services

SDHA cont'd

7K

1965-1966 - SDHA on a downward course to insolvency

Dec 31, 1966 - Last day of SDHA. 29,353 members

January 1, 1967 - Kaiser Permanente assumed control

June 1981

C.9. CHRONOLOGY: SAN DIEGO HEALTH ASSOCIATION

Before 1935 Related to me by Dr. Stevenson: Drs. Couch & Wilkinson had a practice which started before W.W I and which included retainer fee (prepayment) for fraternal and benevolent organizations

1935-1939 Related to me by Dr. Stevenson: Drs. Stevenson, Chartres-Martin and Carter provided medical services to members of a Beneficial Society organized by a George Latham.

Dave Parmer enrolled 1200 families in one year and changed its name to the Complete Service Bureau. (CBS or Bureau)

1939-1957 July 2, 1939 Beneficial Society replaced by the Complete Service Bureau. Served by Drs Stevenson, Chartres Martin & Carter (Carter was president) the San Diego County Medical Society (Society) withdrew because of Society pressure. Dr. Chartres-Martin, Chief of Staff of Mercy Hospital, withdrew at a later date.

1948. The Bureau & 3 staff doctors sued the Society for $200,000 and to compel the Society to permit Bureau staff to be eligible for Society membership as a requisite for hospital privileges. The Society filed a cross complaint charging the Bureau with illegal operation.

1952. Superior Court Judge Mundo found for the Bureau that it was not an ~~illegal~~ illegal operation.

1953. Parmer died

1954. 4th District Court of Appeal reversed Judge Mundo and held that the Bureau was practicing medicine illegally

July 1954. The State Supreme Court in a 4-2 decision reversed the ruling of the 4th District Court of Appeals & affirmed the judgement of Judge Mundo in favor of CSB saying "there is no valid objection to the formation of a non-profit medical service corporation under State law. Damages were not awarded providing that Bureau physicians be permitted to apply for Society membership" which thereby made them eligible for hospital privileges

1955. Dr Stevenson retired age 70

1956. Plans initiated for a new clinic building to replace the Putnam mansion on Maple St.

Feb 11, 1957. The Complete Service Bureau renamed the San Diego Health Association (SDHA)

1957-1966 1957. SDHA had 15000 members

May 19, 1958. Ground breaking for new Clinic Building at Maple St.

June 19, 1959. New Clinic Building open for patient services

1962. Stevenson Research Foundation established

1963. 19000 members

1963. $70,000,000 Retirement Community in Paloma Valley proposed by San Diego Labor Council with on-site medical services by SDHA

1963. Planning for an SDHA hospital in La Mesa initiated.

May 1964. Construction started in La Mesa on a combined 70 bed acute and convalescent hospital, 10 doctor clinic offices and dental office suite

Sept 1964 Board of Trustees, SDHA split into two groups. Dissident group ~~filed~~ alleged financial + management irregularities + filed suit to prohibit the Business Manager - Executive Director - Member of the Board from carrying out his duties (suspending) and requesting inspection of the Association's books + records

Nov 24, 1964 SDHA charter ~~members~~ subscribers voted (629-375) to replace the incumbent Board with a new Board including two of the old Trustees. A temporary business manager (one of the holdover Trustees) was appointed. All of the new Trustees were totally ignorant of the administration of the association's business and medical affairs.

March 1965 A permanent business manager was employed.

1965 Several legal suits brought on high legal and accounting expenses which carried on into 1966

Feb 1965 Dr. Stevenson died, age 80

May 1965 Stevenson Memorial Hospital opened for inpatients and clinic outpatients

1966 - SDHA became insolvent because of legal fees, loss of 8000 members as of 1/1/67, and 63% hospital occupancy. Bank took over accounts receivable and doled out money

to pay bills. Suppliers demanded cash on delivery or discontinued supplying.

Dec 1966 With the approval of the Charter Members and Board of Trustees of SDHA, the Kaiser Health Plan and the Southern California Permanente Medical Group agreed to accept SDHA's assets, liabilities, properties, patients and medical staff and employees

Dec 31, 1966 29,383 members. End of SDHA

January 1, 1967 Kaiser-Permanente assumed control.

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SCHOOL OF MEDICINE
HEALTH POLICY PROGRAM
1326 THIRD AVENUE
SAN FRANCISCO, CALIFORNIA 94143

RECEIVED
MAY 1 1981
H. J. Sorensen, M.D.

April 29, 1981

Dr. Herbert J. Sorensen
Associate Medical Director
Kaiser-San Diego Medical Center
4647 Zion Avenue
San Diego, CA 92120

Dear Dr. Sorensen:

To introduce myself briefly, I am a senior research associate and project coordinator for a UCSF study looking at factors that impede or promote the growth of prepaid health care (HMOs) in California. Last fall, Jim Vohs and Scott Fleming arranged for me to speak with Carl Williams and Bruce Grow; I believe that you were out of town at that time.

Now I am wondering if you could help me out with some historical research. Specifically, I would like to speak with you about your experience with the San Diego Health Association. My research question relates to the difficulties that the San Diego Health Association had in penetrating the local employer market--and the reasons for the relatively rapid success of Kaiser after the take-over.

Todate, I have been unsuccessful in locating a detailed history of the Complete Service Bureau/San Diego Health Association. The earliest materials that I have found are contained in the depositions prepared by the C.M.A. for the court case involving the C.S.B. and the San Diego Medical Society. As the presentations are obviously one-sided, I hate to base my facts upon this data.

Therefore, I would be most grateful if you could steer me to any archival material or documents related to the operations of the Complete Service Bureau/San Diego Health Association. Also, I would very much like to interview you--by phone--regarding your personal impressions about the plan. For instance, I would be interested in hearing your views regarding the financial condition of the plan over time, its ability to recruit physicians in face of Medical Society disapproval, the calibre of the plan's management, etc. Also, if you have any information on the affiliation of the SDHA with the Physicians and Surgeons Association (Los Angeles) and upon its participation in the federal and state employee benefit programs (PERS and FEHBP), that would be most helpful.

I hope that I have not overwhelmed you with my requests. Looking forward to talking with you, I am,

Sincerely yours,

Joan Trauner

Joan B. Trauner, Ph.D.
Senior Research Associate

JBT/j

SOUTHERN CALIFORNIA PERMANENTE MEDICAL GROUP
4647 ZION AVENUE • SAN DIEGO CALIFORNIA 92120 • TELEPHONE (714) 563 3000

May 5, 1981

Joan B. Trauner, Ph.D.
Senior Research Associate
University of California, San Francisco
School of Medicine
Health Policy Program
1326 Third Avenue
San Francisco, CA 94143

Dear Dr. Trauner:

In response to your letter of April 29, 1981, requesting information about the Complete Service Bureau/San Diego Health Association, I am referring you to Dr. Ben Lewis of San Diego who was not only associated as a practicing physician with those two organizations but also was involved administratively. He would be the best source and actually has some archival information and documents from that period of history. I will be sending him a copy of your letter and my response so that he can be prepared to respond to your questions.

Sincerely,

Herbert J. Sorensen

Herbert J. Sorensen, M.D.
Associate Medical Director
San Diego Area

HJS/bn

cc: Benjamin Lewis, M.D.
9501 Sunset Avenue
La Mesa, CA 92041

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SCHOOL OF MEDICINE
HEALTH POLICY PROGRAM
1326 THIRD AVENUE
SAN FRANCISCO, CALIFORNIA 94143

May 15, 1981

Dr. Benjamin Lewis
9501 Sunset Avenue
La Mesa, CA 92041

Dear Dr. Lewis:

I am writing you at the suggestion of Dr. Herbert Sorensen of Kaiser-San Diego. A few weeks ago, I wrote him about a historical project in which I am involved. Specifically, I am looking at the development of prepaid health services in California--and am trying to trace the factors which led to the demise/merger of early plans. (The historical studies are part of a larger research project funded by the Institute of Governmental Studies, University of California Berkeley; the intent of the overall project is to trace the competitive impact of prepaid health plans upon the organization and financing of health care in California.)

Dr. Sorensen mentioned that you would be the best source of information about the factors that led to the Kaiser take-over of the San Diego Health Association. Ideally, I would be interested in hearing your views--and reviewing any historical documents--related to the following:

1. The relationship of the SDHA with organized medicine in the 1960's.

2. Factors which led to the decision by SDHA to build a hospital--and background on the financing of the facility; impact of the hospital upon the operating revenues of SDHA.

3. Types of health insurance contracts which SDHA was underwriting--and marketing of the plan (largely to employee groups? individual members?)

4. Factors which led to financial insolvency--and to Kaiser's take-over.

Since my travel funds are now expended, I would like to phone you for an extended telephone interview. If you have documents available, perhaps you could give me a brief description during our conversation and I could tell you which materials I would like to have photocopied (at UC expense). I look forward to your reply. (Incidentally, Dr. Sorensen did not supply me with a phone number for your residence.)

With best regards, I am,

Sincerely yours,

Joan B. Trauner

Joan B. Trauner, Ph.D.
Senior Research Associate
415-666-3093

Just 20 now, Kaiser has been a pioneer

San Diego Union, July 4, 1987.

Rapid growth allowed many medical innovations

By Shelley Pritikin, Special to The Union

How often do the cost-cutting measures of a giant corporation fit hand-and-glove with the needs of its customers?

How often can a company success story be written not just in terms of profits, but in innovations that revolutionized an entire industry?

It's something to think about as Kaiser Permanente celebrates its 20th anniversary in San Diego County.

For example, such advances as same-day surgery are common nationwide today, although they might not have come about so rapidly had Kaiser Permanente not made a move to San Diego.

At the time, in 1967, Kaiser Permanente's Health Maintenance Organization (HMO), with its prepaid group practice format, was the giant of the industry, a position it still holds today.

Almost from the time Kaiser moved into San Diego, on Jan. 1, 1967, it was faced with a dilemma that remains the bane of a new generation of city planners: wildly escalating growth.

The firm, born in Oakland, had acquired the San Diego Health Association, an early HMO with a membership of 22,000. Included in the merger were a four-story clinic on Maple Street and the 70-bed Stevenson Memorial Hospital in La Mesa.

By 1969, membership in San Diego County had nearly doubled to 40,000, and then continued to exceed expectations each year. In 1976 alone, 30,000 new members enrolled — 16,000 of them in one month.

"It may be that San Diego provided Kaiser Permanente with the most rapid membership growth among its geographical expansion efforts to date," said Lynn Boose, Kaiser's first hospital administrator in San Diego.

"With that kind of growth you either get inundated or you sit back and say it can't be done," said Dr. Herb Sorenson, former medical director for Kaiser in San Diego. "Fortunately, we had a can-do kind of group."

In 1975, administrators authorized construction of a $25 million medical center on Zion near Mission Gorge Road, then found themselves scrambling to serve their burgeoning population effectively.

The biggest crunch, recalled Sorenson, was evident in two areas: hospital beds and operating rooms. The solution to the problem was to come from a surgeon.

• • •

Dr. Ben Lewis, who joined Kaiser from the San Diego Health Association, developed a program he called Lower Our Hospital Stay (LOHS), a two-pronged attack on costs and the shortage of beds. The program, some say, was to change the way the American medical community viewed hospitalization.

Lewis proposed that major surgery patients be admitted to the hospital on the morning of surgery instead of the night before. Any required laboratory tests could be completed prior to the surgery date. He also argued that more surgery could be done on an outpatient basis.

They were "radical" concepts for the time, according to Sorenson. The programs were initiated at the La Mesa hospital and expanded to include the new medical center.

At the time, about 40 percent of all surgeries required no hospitalization. A decade later, the figure was 50 percent. The San Diego performance remains the Kaiser Permanente standard today.

Innovations continued with the development of a home health-care program; a home IV program, in which patients receive intravenous antibiotics and other medicines at home; an early nursery discharge program, which prepares new mothers to leave the hospital within 24 hours of admittance; and a coordinated in/outpatient hospice program.

Doctors at Kaiser also began to focus on the early detection of disease and developmental problems. In 1974, the Center for School Problems was founded; in 1975, the Health Risk Appraisal Clinic.

The Center for School Problems is an outreach program designed to help children who are experiencing serious learning difficulties. The center treats about 1,500 children a year and is used as a model program within the Kaiser Permanente system.

"We are the only clinic — maybe in the world — that does routine visits both to the home and the school when the child isn't doing well," said Dr. John Richards, the center's director.

The Health Risk Appraisal program, a two-part medical evaluation, recently was singled out by the California Department of Health Services as the best of its kind in the state.

Patients enrolled in the program are given a traditional physical examination, but they also participate in a data-gathering visit in which health risk factors are measured. About 30,000 members go through the appraisal each year.

"We use the data in a meaningful way to help them change their behavior," said Bill Robinson, manager of the Preventive Medicine Department.

A similar program to provide medical histories and physical exams to large numbers of patients at a low cost is now included as a model project in data bases at the Centers for Disease Control in Atlanta, Ga.

Dr. Maurice Alfaro, area medical director for Kaiser, said the San Diego organization is unique among Kaiser centers in the number of innovative programs it has fostered. He credits the staff for those innovations.

"There tends to be among the San Diego staff a somewhat younger group of physicians, and what comes with that is a more innovative outlook," he said. "They're willing to be inventive rather than just doing things in the traditional way."

However, Alfaro said an idea that just trims costs without maintaining or improving the quality of patient care "is unacceptable."

"Ideally what we look for is something like the home IV program, where the patient benefits tremendously by being able to stay at home."

• • •

Again, an attractive feature of San Diego — the balmy climate — played a part in enabling the organization to attract quality physicians and health-care professionals.

"Recruitment of top-quality staff has never been a problem for us. We have many more applications for each position than many other medical centers would have," said Alfaro.

Sorensen said doctors recruited by Kaiser were up to the challenge.

"The group was young and willing to forge ahead with new ideas. But if we had not been expanding rapidly, we would not have been able to step out boldly and do these kinds of programs," he said.

As the cost of health care has increased, Kaiser administrators watched as their programs were adopted by other centers. For example, same-day surgery on an outpatient basis and same-day admission for major surgery are now common practices.

Strict government control of Medicare reimbursement, which went into effect in 1985, initiated a flurry of cost-control measures in hospitals around the country. HMOs are now begetting HMOs.

"For many hospitals (the changes in Medicare) represented a real chal[illegible] said Alfaro. "We had already figured out more eff[illegible] ways of doing things, so when the new regulations came out, we were already there."

The dominant structure of private health care, and its increasingly expensive way of doing business, resulted in government scrutiny in the 1960s.

Kaiser's system of prepaid medical coverage drew national attention in 1967, when the U.S. Advisory Commission on Health Manpower released a report which noted that Kaiser's cost savings "appear due almost entirely to the elimination of unnecessary health care, particularly hospitalization."

In 1973, the Health Maintenance Organization Act was passed to encourage the growth of HMOs. The legislation required targeted employers to make HMO membership a health benefits option.

By 1976, there were 6 million Americans enrolled in about 175 HMO programs — and about half of them were members of Kaiser Permanente, according to the Group Health Association of America. A decade later, membership had more than quadrupled, with 626 plans serving 25.8 million people.

• • •

The concept of prepaid health care devised by Kaiser is not without its critics, however. They contend that the cost-controlling environment which HMOs foster is not always healthy for the patient.

"Philosophically, the problem with it is that (an HMO) does best by not giving health care. You do best at the end of the year if no one has to see the doctor," said Dr. Donald Ritt, medical director of Excellence in Medicine (XIMED), a physician group that operates out of the Scripps Memorial Hospitals in La Jolla and Encinitas.

Ritt began XIMED in 1979 as a physician-run alternative to HMOs and designed it to stress personal service, a trend he said is on the rise nationally. While he said that doctors need to be aware of the financial impact of the treatment they prescribe, he also said physicians shouldn't be hamstrung by stringent cost guidelines.

The HMO model of cost-efficient management "may not always fit with what we (physicians) think is necessary," he said. "It greatly impacts your ability to make professional decisions."

And all is not well on Kaiser's labor front, either.

Contract talks with the union representing 1,800 health-care workers have stalled. Kaiser argues that its employees in the county are paid substantially more than other, largely non-union health-care workers.

Kaiser, in an effort to renew the contract that expired on June 30, has proposed a wage package that ties salaries to slightly more than above the average at nine other health facilities in the area.

Local 30 of the Office and Professional Employees International Union appears to have won a decade-long battle to achieve parity with Kaiser employees in Los Angeles, and is willing to accept a three-year wage freeze, just as in Los Angeles.

But the union opposes attempts to tie wages to the lower rates paid elsewhere in San Diego.

• • •

Kaiser Permanente, since the early 1980s, has enrolled virtually every major employer group in San Diego County, but the outlook is becoming increasingly competitive.

"It's a very competitive health environment now, and San Diego is certainly at the top of the list in that regard," said Alfaro. "It's more important than ever to provide high-quality, cost-effective medical services, or the customer will go elsewhere."

Again, responding to pressures of rapidly growing membership, Kaiser administrators decided to decentralize their facilities.

Outpatient medical offices have been opened in Chula Vista, Clairemont Mesa, El Cajon, Mission Bay, Escondido, Point Loma and Carlsbad. A $110 million expansion of the main "campus" in San Diego is scheduled for completion in 1991.

Kaiser Permanente set up shop in 1967 with a membership base of 22,000 San Diegans. Its staff of 3,300 now serves 292,000 members.

From growth problem-solving came the idea that less hospitalization is better: less expensive and healthier for the patient.

Soreson sums up Kaiser Permanente's experience in San Diego this way:

"Growth created huge problems for us, but it a pushed us to become creative. Everybody is discov s the same things now; we just were probably 10 years ahead of it."

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Ora Huth

Graduated from the University of California, Berkeley, in 1943 with an A.B. degree, and in 1947 with an M.A. degree in fine arts. From 1943-1945 served in the U.S. Marine Corps at Arlington, Virginia. Taught art in the Vallejo Unified School District, 1947-1956.

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From 1956 to date active in community affairs as member and past chairperson, City of Berkeley Waterfront Commission; as president of the League of Women Voters of Berkeley: and as director, officer, and chairperson of studies of regional government, land use, and general program planning for the Leagues of Women Voters of California, of the Bay Area, and of Berkeley.

Employed, 1983, as interviewer on numismatics, soil chemistry, and medical care topics for the Regional Oral History Office.